

EXTENSIONS OF REMARKS

EAGLE SCOUTS HONORED

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to bring to the attention of my colleagues two outstanding individuals from the Third Congressional District of Illinois who have recently completed a major goal in their Scouting careers. On May 21, 1995, Jason Michael Baumann and Bryan Duffy were honored at an Eagle Scout Court of Honor. At that time, I presented each Scout with a flag that was flown over the U.S. Capitol in honor of their outstanding achievement.

Jason joined Saint Symphorosa Cub Pack 4439 in 1983 and quickly progressed through the ranks while earning the Parvuli Dei and Arrow of Light Awards. Jason then joined Boy Scout Troop 1439 during the end of 1987. He participated in many Scouting activities while working on the requirements for the ranks leading to Eagle. During this time, he earned a total of 24 merit badges. Jason also served as the troop scribe, chaplain's aide, assistant patrol leader, and junior assistant scoutmaster.

Jason attended high school at the new Archbishop Quigley Preparatory Seminary. Jason's interests in high school included involvement in the music and drama programs. He also played the organ, piano, keyboard, and timpani for the weekly Masses and was a music appreciation teacher's aid.

Upon graduating high school, Jason enrolled at the University of Illinois at Chicago, where he is currently majoring in computer science. His future plan is to become a computer programmer. He also currently works for the Archdiocese of Chicago in the development office at Quigley as a computer consultant.

Bryan also joined Cub Pack 4439 in 1983 where he earned the Bobcat, Wolf, Bear, Webelo and Arrow of Light Awards. While a Cub Scout, he held the position of assistant den chief. When he joined Boy Scout Troop 1439 in June of 1987 he quickly progressed through the ranks. Bryan held the positions of assistant patrol leader, senior patrol leader, junior assistant scoutmaster, and is a member of the Order of the Arrow, an organization for honored Scouters.

During his 4 years at Brother Rice High School, Bryan excelled on the swimming and water polo teams for all 4 years. He was a member of the 1994 Illinois State Championship Water Polo Team and completed in the Illinois State Sectional Championships.

It is important to note that less than 2 percent of all young men in America attain the rank of Eagle Scout. This high honor can only be earned by those Scouts demonstrating extraordinary leadership abilities. Jason and Bryan have clearly demonstrated such abilities through their dedicated community service and deserve special recognition.

In light of the commendable leadership and courageous activities performed by such fine

young men, I ask my fellow colleagues to join me in honoring Jason and Bryan for attaining the highest honor in Scouting—the rank of Eagle Scout. Let us wish them the very best in all of their endeavors.

IN RECOGNITION OF THE AWARD-WINNING PARTNERSHIP OF NORTHEAST BLOCK CLUB ALLIANCE AND FIRST FEDERAL SAVINGS AND LOAN

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Ms. SLAUGHTER. Mr. Speaker, I rise today to pay tribute to Rochester, New York's Northeast Block Club Alliance [NEBCA] and First Federal Savings and Loan Association, together one of six partnerships in the country to receive the prestigious Social Compact 1995 Outstanding Community Investment Award. NEBCA and First Federal were recognized for creating First Place, a project that transformed a 5½ acre city block of vacant and deteriorating properties into a vibrant new neighborhood. First Place has created new homes for 50 low- and moderate-income families by building the first large-scale residential housing development in downtown Rochester in 30 years.

In anticipation of First Federal's 100th anniversary in March 1993, president and CEO Thomas N. Borshoff spearheaded an intensive study to determine the housing needs of Rochester and target at risk communities. After identifying 5.3 acres of a distressed, inner-city neighborhood, First Federal acquired 15 vacant properties and worked closely with the city of Rochester to reconfigure the area as a future residential community. To launch the project, First Federal waived the normal developer's fee, provided no-interest construction financing, and also agreed to offer 30 year, fixed-rate mortgages to ensure affordable monthly mortgages for each borrower.

First Place also owes a great to NEBCA, which has dedicated its energies to serving low- and moderate-income households in Rochester since its inception in 1976. Through its social service and housing programs, NEBCA has preserved existing housing stock, promoted owner-occupied homeownership, provided elderly and day care, and organized resident participation in crime prevention and community policing programs. With the help of First Federal and the city of Rochester, NEBCA was able to transform First Place from concept to reality.

As of March 1995, 29 of 30 homes have been completed and sold, with another 15 under construction and expected to be completed this fall. Large families who used to live in overpriced, poorly maintained, and absentee-owned apartments now have the opportunity to own their own quality homes at a monthly cost that is less than their former rent-

al payments. In addition to the tremendous strides First Place has made in housing, the NEBCA-First Federal alliance has also provided important jobs for local minority contractors and established a youth training program for high school students. These factors will not only provide many of our young people with a skilled trade for the future, but they also foster pride and continued commitment to the community, as well.

Because of these landmark achievements, NEBCA and First Federal were rightly recognized by the Social Compact, a coalition of financial services CEO's and neighborhood organizations dedicated to promoting proven, effective strategies for strengthening America's most vulnerable neighborhoods.

Mr. Speaker, the First Place project has infused a new hope in Northeast Rochester, and presented all of us with a model of a successful alliance between local government, a community organization, and a financial institution. Through close collaboration, NEBCA, Rochester, and First Federal removed administrative obstacles, streamlined approval processes, and worked directly with residents to keep the First Place project on a fast track. Because of their efforts, First Place evolved from an initial idea to owner-occupied affordable housing in the span of just 2 years. Finally, the success of First Place has convinced other cities to take note: discussions are already underway in the cities of Buffalo and New York for replication of this model project.

Mr. Speaker, we should all recognize the outstanding NEBCA-First Federal partnership and the efforts of the Social Compact. Please join me in saluting their service to our cities and our Nation.

FROM E-MAIL TO V-MAIL, POSTAL CLERK HAS SEEN IT ALL

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. McHUGH. Mr. Speaker, I want to pay tribute to a dedicated individual from my district who has provided her community with quality mail service for 54 years. Even more remarkable is that she plans to continue to do so. Patricia M. Drake, a 71-years-old grandmother of four, began work as a mail clerk in 1941, when mail was sorted one letter at a time. Although technology now enables mail to be processed en masse, it is the dedication and reliability of individual Postal Service employees such as Pat Drake that provides this Nation with the most productive, efficient, and cost-effective mail system in the world.

When Pat was hired, Franklin Delano Roosevelt was President and a war was raging in Europe. Pat initially worked weekends and summers, sorting V-mail that came in by train to help people communicate. Now, more than 54 years later, Pat is still working weekends

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

and evenings sorting mail to help people communicate. And she would not have it any other way. According to her colleagues, Pat is well-loved and respected because she personifies all that is good about the Postal Service. Her sound integrity and reliability are an asset to the two offices in which she works.

While the methods have changed, the basic mission of both Pat and the Postal Service remains as important today as it has ever been, and perhaps even more so in this fast-paced information age. With data whirling by us via e-mail, fax, interactive cable, and other, yet-to-be developed supertechnologies, we must not lose sight of the basic service that Pat renders, which is so important to our continued well-being. Pat's contribution, along with that of others, enables 125 million American households to receive prompt, universal mail service, 6 days a week, at just about the lowest rates in the industrial world.

Pat's career, and the honors that have come her way recently, have been recounted in the following story written by Tracy Valentine in the Watertown Daily Times. Mr. Speaker, it is my honor to pay tribute to Pat Drake for giving 54 years of dedicated service to the communities of Theresa and Watertown, NY, and to wish her continued success in all her endeavors.

[From the Watertown Daily Times, Apr. 30, 1995]

THERESA MAIL CLERK STILL ENJOYS POST POSITION AFTER 54 YEARS ON JOB
(By Tracy Valentine)

THERESA.—Patricia M. Drake started working as a postal clerk in 1941, when the price of a stamp was 3 cents and zip codes didn't yet exist.

Fifty-four years later, Mrs. Drake is still on the job and seems to be fazed very little by all the dramatic changes she's witnessed over the decades.

"A lot has changed, but that's what you've got to expect," said Mrs. Drake, who lives on Drake Road.

But she admits that when she started working at the Theresa post office at age 17, she never expected to remain on the job for more than a half-century.

"I never thought I'd be here this long," said Mrs. Drake, who at 71 is a grandmother with no immediate plans to retire from her part-time job.

She was honored Tuesday for her decades of service to the U.S. Postal Service during a luncheon at the Riveredge Resort at Alexandria Bay.

Her service also represents the continuation of a family legacy. Mrs. Drake's mother, Marie Proctor, was Theresa's postmaster from 1943 to 1963.

Mrs. Drake started her job during wartime and often sorted the daily shipments of V-Mail, correspondences from World War II soldiers to their families.

The much-anticipated blue envelopes contained copies of troops' letters that were made by the U.S. government, which often kept the originals.

"We would call the families or drop the letters off on our way home because we knew they were anxious to hear from their sons overseas," recalls Mr. Drake.

Today, machinery is more widely used to sort mail and cancel postage, but Mrs. Drake remembers a time when all mail was hand sorted. It arrived in Theresa every morning by train and was delivered to townspeople, most of whom she knew.

Today, machines have taken over a lot of the work, trucks have replaced the trains, and she said it is harder and harder to remember all the new faces in town.

"Fort Drum has changed things. There's lots of new people around," said Mrs. Drake, who also worked as a part-time evening clerk at the Watertown post office for nearly 20 years.

More people mean more mail, and Mrs. Drake estimates the amount of mail handled at the Theresa post office has more than tripled since the 1940s.

However, the mail isn't quite as exotic as it used to be.

Mrs. Drake recalled an incident in the 1950s when a shipment of chickens arrived for one of two local hatcheries and was refused.

"We got stuck with them and they were squawking and yakking. They were driving us crazy," said Mrs. Drake, who added that postal workers ended up selling the chickens for \$1 each.

At the Theresa post office she has worked with five officers in charge and five postmasters.

She said the best among them is current Theresa Postmaster Richard R. Kingsbury, who has managed the town's post office for eight years.

"He's tops," Mrs. Drake said of her boss. "He's easy-going and he knows his stuff. He's very good."

Mr. Kingsbury returned the compliment and gave Mrs. Drake high marks for dedication and her strict work ethic.

"She never complains, she's always there when you need her, and there could be mail up to the ceiling and she'd just get right in there and do it," said Mr. Kingsbury, who has nicknamed her "machine-gun Drake" for her swiftness in sorting the morning mail.

"She doesn't take much time off, either," added Mr. Kingsbury. "Probably 50 out of 52 Saturdays she's here."

Watertown Postmaster Warren Johnson also considers Mrs. Drake a rare find.

"She's always on time, and she works from the time she comes into the building until the time she leaves," said Mr. Johnson. "She's a person with a 54-year career and she's done every one really outstanding."

TEXAS STATE LEGISLATURE REQUEST A COPY OF TEXAS CONCURRENT RESOLUTION BE PLACED INTO THE CONGRESSIONAL RECORD

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to commend the 74th Legislature, Regular Session, 1995 of the State of Texas for recognizing the importance of archiving our State records and hereby request on behalf of the Governor, Lieutenant Governor, Speaker of the House, Secretary of the Senate, the Clerk of the House, and the Secretary of the State of Texas to place a copy of the Texas House Concurrent Resolution into the CONGRESSIONAL RECORD.

HOUSE CONCURRENT RESOLUTION

Whereas, In response to an Act of Congress approved April 10, 1869, the 12th Legislature of the State of Texas convened in Provisional Session from February 8 to February 24, 1870, and ratified Amendments XIII, XIV, and XV to the United States Constitution; and

Whereas, Those federal constitutional amendments, each ratified by separate joint resolutions of the 12th Legislature on Feb-

ruary 15, 1870, solidified some of the most precious rights that have been guaranteed constitutionally to Americans, particularly ethnic minorities who were granted the blessings of equal citizenship and the beginning of an end to their past oppression; and

Whereas, Amendment XIII eliminated forever the practice of slavery, Amendment XIV promised due process and the equal protection of the laws, and Amendment XV prohibited denial of suffrage on the grounds of race, color, or previous condition of servitude; and

Whereas, Over time, copies of the three resolutions regrettably have vanished from the holdings of the Texas state archives, yet others are preserved in Washington, D.C., by virtue of their certification and transmittal to the Secretary of State of the United States and to the presiding officers of the United States Congress; and

Whereas, The 1995 Regular Session of the 74th Legislature coincides with the 125th anniversary of these historic ratification actions and marks an appropriate time for the conveyance to this state of replicas of the three resolutions so that Texans may view and appreciate a series of documents that have played such an important role in the extension and elaboration of their civil rights: Now, therefore, be it

Resolved, That the 74th Legislature of the State of Texas, Regular Session, 1995, hereby respectfully request the National Archives and Records Administration to make copies of the joint resolutions of the 12th Texas Legislature ratifying Amendments XIII, XIV, and XV to the United States Constitution and transmit those copies to the Texas State Library and Archives Commission for placement in the state archives: And, be it further

Resolved, That the Texas secretary of state forward copies of this resolution to the archivist of the United States at the National Archives and Records Administration, to the vice-president of the United States and speaker of the United States House of Representatives with a request that this resolution be officially entered in the CONGRESSIONAL RECORD, and to all members of the Texas delegation to the United States Congress, as an official request to the federal government by the 74th Legislature of the State of Texas: And, be it further

Resolved, That if and when such replicas are received from the National Archives and Records Administration, the Texas State Library and Archives Commission be hereby directed to place them in the holdings of the state archives to be available for public viewing and photocopying and in all other respects to be treated as any other material worthy of archival storage and retrieval.

SONS OF ITALY FOUNDATION'S ANNUAL NATIONAL EDUCATION AND LEADERSHIP AWARD CEREMONY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mrs. ROUKEMA. Mr. Speaker, I want to congratulate the Sons of Italy Foundation for its Seventh Annual National Education and Leadership Award ceremony, which was held April 20 at the National Press Club. This successful event has gained wide recognition during the past few years in Congress, in the corporate community, and among others in the philanthropic community throughout the Nation for its promotion of educational excellence and

professional achievement. I commend the SIF for the encouragement it provides to some of our Nation's most outstanding young scholars and future leaders.

At this year's event, the SIF presented scholarships to the winners of the 1995 National Leadership Grant Competition, the SIF's annual merit-based national scholarship competition. In addition, the SIF presented the 1995 NELA to businessman and philanthropist Joseph E. Antonini. Mr. Antonini's achievements in leading one of our Nation's largest retailers, Kmart Corp., and his strong support of charitable and educational institutions in Michigan and in his native State of West Virginia speak volumes for his character, perseverance, and leadership. In selecting Mr. Antonini for this honor and in awarding a merit-based academic scholarship in his name, the SIF has recognized one of the Italian-American community's most outstanding role models.

Mr. Antonini's rise from management trainee to corporate chief executive is an inspiring example of the American dream. The career of this son of Italian immigrants serves as a reminder of why our parents and grandparents traveled to this country and why today's immigrants are so eager to make their homes in our great country. Most appropriately, the scholarship that the SIF awarded in Mr. Antonini's name can now help the dreams and aspirations of an outstanding young student come true. There is no more important work for us to perform, no greater gift we can give.

The Order of the Sons of Italy of America's long and distinguished record of generous support for education should be recognized and praised. During the past three decades, OSIA and the SIF have distributed more than \$20 million for academic scholarships. The leaders of OSIA and the SIF have set a worthy example for other nonprofit organizations in their unselfish support of the young of our Nation.

I commend Ms. Joanne L. Strollo, national president of OSIA and chairwoman of the SIF; Mr. Valentino Ciullo, president of the SIF; Mr. Joseph Sciamé, chairman of OSIA's National Education Committee; Ambassador Peter F. Secchia, NELA dinner chairman; and Dr. Philip R. Piccigallo, national executive director of the OSIA and the SIF, for their leadership roles in the 1995 NELA ceremony and the National Leadership Grant Competition.

Listed below are the names of the 10 winners of the National Leadership Grant Competition. These young men and women represent our Nation's highest level of academic achievement and leadership potential. I offer congratulations and heartfelt wishes for future success to:

Dominic A. Ricci, Joseph E. Antonini scholarship.

Brett Vasconcellos, Henry Salvatori scholarship.

Joseph H. Casola Jr., Louis J. Free-Michael Cappellotti-Daniel A. D'Amico scholarship.

Natalie A. DiPietro, The Hon. Frank J. Montemuro scholarship.

Danielle M. Dorsaneo, Pearl Tubiolo scholarship.

Morgan Lazzaro-Smith, Joanne L. Strollo scholarship.

Matthew J. Lazzara, Dr. Anthony S. Fauci scholarship.

William Lentz, The Hon. Silvio O. Conte scholarship.

Gary W. Caliendo, Lou Carnesecca scholarship.

Stacy Deanne Cerrutti, Giovanni Glessi scholarship.

RESCUE OF CAPT. SCOTT O'GRADY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. GILMAN. Mr. Speaker, this morning the Nation awoke to some great news, for once, coming out of Bosnia. The young pilot, Scott O'Grady, of our F-16 that was downed last week over Bosnia was well back in our hands. Captain O'Grady's rescue culminated 5½ days of riding an emotional rollercoaster for his family, his comrades at Aviano and for the entire Nation. We join with his family in our heartfelt thanks to all those who participated in his outstanding rescue, and our appreciation for this one chapter with a happy ending in the on-going Bosnian tragedy.

Recently, along with some of my colleagues, we had the opportunity to visit our airmen at the Aviano airbase in Italy from which Captain O'Grady flies. We were impressed at that time with the dedication and the high professionalism of all our personnel who serve with the NATO operation assisting the United Nations in Bosnia. This morning's dramatic operation only adds to our sense of admiration for the skill and training of these courageous young people serving in our military.

I would first of all congratulate Captain O'Grady for his skill and perserverance in surviving and evading capture behind enemy lines. I am confident that the Bosnian Serbs expended a great deal of effort in trying to locate him to use as another pawn in their cruel exploitation of U.N. peacekeepers in Bosnia. Captain O'Grady did everything possible to avoid providing the Serbs with a possible asset to use to hamstring this government. The fact that Captain O'Grady was found in relatively good health is a tribute to the superb services training our pilots receive.

Secondly, I congratulate the personnel aboard the USS *Keats* and all those who have undertaken the painstaking search and rescue operation that has been ongoing since the moment that SAM 6 struck Captain O'Grady's plane. The rescuers never gave up hope, and their confidence finally paid off. I particularly offer my praise for a job superbly done to the marines of the 24th Marine Expeditionary Unit that executed this daring rescue. They are a credit to all our men and women who serve this country in our Armed Forces. The Air Force and Naval personnel who supported the 24th MEU in this operation are also to be credit with the professionalism and persistence that made today's rescue possible. I know my colleagues join with me in extending our Nation's praise and gratitude.

HONORING PROJECT SANDOVAL COUNTY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. RICHARDSON. Mr. Speaker, at a time when we are considering significant reductions in Federal funding for a wide array of domestic programs, it is important that we do our best in helping recipients find alternative resources. We can learn a great deal from groups and organizations which are succeeding with little or no Federal assistance and try to apply these success stories to other needy groups.

I call my colleagues attention to one such group in my congressional district, Project Sandoval County, Inc., which is run by two remarkable and dedicated women, Marty Sena and Yolanda Hall.

Project Sandoval County, Inc. is a New Mexico non-profit corporation dedicated to providing support services to victims of domestic violence, offender education and community education. Marty and Yolanda started the project out of their homes almost a year ago. Services are provided at no cost to the victims.

Domestic violence is a serious problem that crosses economic lines. Abusers and victims come from every social, racial and educational background. What Ms. Sena and Ms. Hall do, with their own money and with money they raise in the community, is provide victims of domestic violence with support groups, legal advocacy, 24-hour crisis intervention, children's assistance, and community education. They are also providing offenders with anger management counseling.

At a time when Federal funds for programs that combat domestic violence are threatened, it is important that we pay tribute to women like Ms. Sena and Ms. Hall who are making their life's work helping victims of domestic violence. I urge my colleagues to join me in honoring these women and suggest we and others can learn from their successes.

H.R. 1501, THE STUDENT LOAN PRIVATIZATION ACT

HON. ERNEST J. ISTOOK, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. ISTOOK. Mr. Speaker, please include the following remarks in the RECORD regarding H.R. 1501, The Student Loan Privatization Act.

STATEMENT OF THE HONORABLE ERNEST ISTOOK

Mr. Chairman, I am pleased to speak with you today regarding the federal student loan programs. I congratulate you on holding this hearing on an area of federal policy so important to America's future.

I am one of over four dozen members of the House of Representatives who have come to the conclusion that the Federal Direct Student Loan Program enacted two years ago is a mistake and that corrective action needs to be taken. The direct government loan is being implemented too quickly. Federal funds and the educational opportunities of students are being placed in jeopardy.

My bill, The Student Loan Privatization Act of 1995 (H.R. 1501) calls for a phase-out of the Federal Direct Student Loan Program. This approach reflects an unambiguous vision of the direction in which federal student policy should be moving. I would like to explain why I, and my colleagues, believe we should move immediately to terminate the direct loan program.

There are three principles that I believe should guide our consideration of student loans and other federal education policy:

First, the Federal government should only carry out those responsibilities that cannot be performed by the private sector.

Second, programs should be structured to minimize federal employment, whether that employment is direct—as reflected in the number of bureaucrats at the Department of Education—or through government contractors; and

Third, the opportunity for private sector participation in federal programs should be structured to promote innovation and efficiency.

Mr. Chairman, the William D. Ford Federal Direct Student Loan Program violates all three of these principles. That is why I propose eliminating this cumbersome federal program.

The Direct Loan Program was enacted as part of the Clinton Administration's massive budget bill in 1993. It was not subject to any in-depth examination or hearings and, in my view, would not have been enacted if it had not been buried in the larger budget legislation. It was adopted less than a year after Congress passed legislation to test direct government student lending in a pilot project in 1992. That was unfortunate.

Direct lending is nothing more than a government-run, multi-billion dollar consumer loan program. It is premised on three assumptions:

Sole-source government monopolies are more efficient and customer-oriented than the private sector; (This has yet to be proven true, given our experience with Public Housing, the Tennessee Valley Authority, and other government monopolies.)

The federal government is an efficient collector of loans (We have problems collecting other debt owed to the government.); and

Centralized administration of a program is consistent with assuring accountability and continued innovation (This flies in the face of all that the private sector is currently experiencing with their rightsizing and decentralization efforts made necessary by international competition and information technology).

Mr. Chairman, we have heard much over the last few months about the initial success of the direct loan program and the savings it has allegedly produced. These claims would be amusing if they were not being used to justify the massive expansion of the federal government now underway at the Department of Education.

First, we hear that schools like direct government loans. Let us examine this.

I was unaware that anyone on Capitol Hill doubted the federal government was efficient in giving away money. Unfortunately, it is this aspect of the direct loan program that is getting the rave reviews from schools and others—schools are getting student loan funds to their students with less paperwork and less hassle than before: That is the crux of the success story for direct loans. In fact, there are numerous higher education organizations opposing direct lending. My own Board of Regent in the State of Oklahoma is on record as opposing this takeover.

But what about the repayment process? Can anyone here show me a federal loan program where getting loan recipients to repay their loans has not been a problem? Loans

made under the direct government loan program are only now entering repayment. Only after we get significant feedback on the repayment process will any meaningful statement be possible on the "success" of the program. At this point, all we can say is that the Department of Education has proven again it is good at giving money away. The real test will be whether they can convince students to repay.

Second, we hear that the program "saves" more than \$12 billion over a five year period.

Mr. Chairman, the Department of Education itself has admitted that the current Credit Reform Act fails to account for the administrative costs associated with direct government student loans. Ironically, in criticizing Chairman Goodling's bill, the Department itself admits that the amendment proposed to the Credit Reform Act in that bill does not increase federal costs, but merely the point in time at which they are recognized. This is a \$4.5 billion distortion over 5 years that the direct lending program is not showing as a cost of the program. It is thus impossible to compare one program to the other under current credit reform rules.

Given the budget scoring distortions produced under the current Federal Credit Reform Act, is it any wonder that direct government lending appears cheaper than the private sector-based program?

More important perhaps than any analysis of Credit Reform is the work of the Congressional Research Service on the subject of student loans. The paper recently produced for Rep. Gordon unambiguously states the following: "There may be a logical rationale for direct lending, but low cost is not it."

To make the revenue stream to the government appear better than it really is, the administration has used 90-day Treasury note interest rates for loans that are actually on the books for 10 years. This results in a 2 percentage point difference in interest rates. It certainly does not take into account the risk the government is experiencing as a result of the dramatic increase in lending the pilot schools have experience (in the neighborhood of a 20% increase in the amount of direct lending.)

Finally, one item that greatly disturbs me is the move from a Guaranteed Student Loan program, where the government has a contingent liability, to a Direct Student Loan program where the taxpayer is liable for 100% of the amount of the loan, not just the default portion. The chart with me today, "Direct Lending's Impact on the National Debt," demonstrates this clearly. Using conservative assumptions throughout, assumptions clearly listed on the graph included with my testimony, after 20 years of Direct Lending, given default rates, growth in the program, repayments, and the "profit" from repayments, the National Debt will increase by \$348 billion between FY95 and FY2014.

Mr. Chairman, the enactment of the direct loan program effectively precluded exploration of innovations in the private sector-based program that may very well equal or surpass the ease in access to funds that many schools in direct government loans find so attractive. I understand that notwithstanding the fact that the Congress and Department of Education have not required or even encouraged program improvements in Federal Family Education Loans (FFEL), that the student loan industry is unilaterally undertaking implementation of such improvements on its own. Two of the most promising innovations are the Educational Loan Management initiative and the Nation Student Loan Clearinghouse. I also understand that much of the work of the industry is taking place in spite of poor cooperation from the Department of Education.

It seems the Department is reluctant to cooperate with the private sector when it

sees itself as a direct competitor. I was very disturbed to see a quote from Mr. Leo Kornfeld of the Department of Education in a May 22nd *Forbes* article where he states, "I want to go toe-to-toe against the industry." This is clearly inappropriate and reflects the belief of some at the Department that the private sector is the enemy.

Mr. Chairman, I would respectfully suggest that this subcommittee pay careful attention to Mr. Kornfeld's activities in his capacity as Senior Advisor to the Secretary. A situation where the regulator of the private sector student lending sees itself as a competitor is most untenable.

There are several other observations I would like to make about the direct government loan program. These observations, among others, prompted me to introduce my bill:

First, I am concerned about how the Department of Education is marketing the program. Direct government lending is supposedly a break-through in administrative simplicity that all schools should be rushing to join. Instead, the Department is using part of the \$2.5 billion made available for poorly defined "administration" of the program to fund newspaper advertisements, to contract with a New York City advertising firm, and to send dozens of employees to financial aid conferences to sell the program. If direct government loans are so good, shouldn't the program be able to sell itself?

In these times of serious budget problems, should the Department of Education be spending hundreds of thousands of dollars on advertising and public relations? I don't think so.

I would suggest, Mr. Chairman, that the administrative funds available for the direct government loan program have been subject to inadequate and deficient oversight at the Department. I urge your subcommittee to fully review the types of activities the Department is undertaking with monies that were understood by many of us to have been made available solely to service student loans.

Second, I am concerned about the types of schools that seem anxious to get into direct loans. Mr. Gordon has documented the disproportionate number of high-default schools that have applied for, or been accepted into the program.

What does the fact that problem schools seem to like direct government loans so much tell us? It tells us that the program appears an easy source of virtually unlimited federal funds to these schools. It tells me that the direct government loan program is a disaster waiting to happen. Remember that the Savings and Loan debacle was about \$50 billion.

Third, I am very concerned about the level of responsibility placed in the Department of Education. The Department of Education has a record of administrative inefficiency. As you know, it was the Department of Education that ran the Federal Insured Student Loan Program, the failed program that led to the concept of a decentralized, private sector based student loan program.

I simply do not believe that the management problems at the Department have disappeared, notwithstanding the fact that the 520 new bureaucrats being hired to run direct government loans, in direct contradiction of the premises of reinventing government.

I see no evidence whatsoever that the Department is doing a better job in policing the types of schools that get into the federal student aid programs. In fact, Mr. Chairman, the only real progress in reducing defaults resulted from imposition of cut-offs of schools for high default rates, something that Congress enacted on its own.

It is time for us to admit the mistake of enacting direct loans in 1993 and to get on

with the project of making sure the private sector loan program works efficiently. The longer we delay getting rid of this ill-conceived government monopoly, the greater the problem will be in getting rid of it later.

I would like to close my statement by emphasizing that my reasons for objecting to the direct government loan program are reasons which appear to have strong bipartisan support.

On January 19, 1995, the President stood with the Vice President and several members of the Cabinet at the White House and said to the American people "We propose to stop doing things that government doesn't do very well and that don't need to be done by government." The Vice President went further. He declared to the American people who sent a clear mandate in November to reduce government that "over the next several months, we will be looking at every other agency and program asking the direct question, do we really need this agency; do we really need this program; there is a better way to do it; is there an opportunity here to give middle-class Americans a break? We have already eliminated over 100 programs. We will eliminate a lot more in the weeks and months ahead." Mr. Chairman, I urge all of my colleagues, Republicans and Democrats alike, to join in my efforts to help the President achieve these stated goals by supporting H.R. 1501 to eliminate direct government student loans.

HONORING MORTON GOULD

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. CLEMENT. Mr. Speaker, I am honored today to pay tribute to one of the pioneering composers of the 20th century, Morton Gould. Mr. Gould is the 1995 Pulitzer Prize winner in music for his work "Stringmusic", which he wrote as a tribute to cellist and conductor Mstislav Rostropovich.

Mr. Gould has often been referred to as the Franz Josef Haydn of American music. He is a true original, helping to forge a national classical music where there hadn't been one. Along the way, Gould has composed so much music he can "barely keep track of it all."

Mr. Gould composed his first piece, entitled "Just Six," when he was, in fact, 6 years old. A teacher got it published. Being a child prodigy wasn't easy, though: boys will be boys, and according to Mr. Gould, he was often roughed up by the bullies at his elementary school for his musical tendencies.

One of Mr. Gould's most famous compositions is "American Salute," his 1943 arrangement of the American standard "When Johnny Comes Marching Home." Mr. Gould says that people often approach him to say that they played the song in band class when they were younger.

Mr. Gould dropped out of high school during the Great Depression; as the oldest of four boys an ill father, it was his responsibility to support the family. He took a job playing piano at Radio City Music Hall in New York, and at age 19 he played at the Music Hall's December 27, 1932, opening night.

From 1934 to 1943 he conducted and was in charge of music at the Mutual Radio Network, and in 1943 he went to CBS radio. He continued composing and making a name for himself with such popular tunes as "Pavane",

and with ballets that were choreographed by Agnes de Mille and Jerome Robbins.

Mr. Gould served more than 40 years on the board of the American Society of Composers, Authors and Publishers, which protects the copyrights of musicians. He was president of the society for 8 years.

In December 1994, Morton Gould was honored by the Kennedy Center for his innumerable and enduring contributions to American culture, and in 1995 he was awarded the Pulitzer Prize for music.

It is an honor and a privilege to salute Morton Gould, one of America's premier composers. His musical gifts have enriched the lives of people the world over, and his timeless legacy will continue to enrich lives for generations to come.

H.R. 1786, A BILL TO REGULATE FISHING IN CERTAIN WATERS IN ALASKA

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. YOUNG of Alaska. Mr. Speaker, I am pleased to offer a bill today which would allow for the traditional fishing of Red Fish in the Katmai National Park during the months of August to October of each year by a limited number of my Alaska Native constituency in the Bristol Bay area. This bill is the result of the work of the Bristol Bay Native Association in cooperation with the Alaska Federation of Natives.

This bill would allow approximately 30 to 40 local residents who live within the boundaries of the Katmai National park to fish for Red Fish during the months of August to October of each year. The ancestors of local residents who reside within the boundaries of the Park have participated in the annual harvest of Red Fish from August to early October every year. While Katmai National Park was designated a park in the 1930's, local residents were prohibited from the taking of fish except with a rod and reel. This bill would allow the local residents to again fish for a traditional dietary fish of their region.

Specifically, section one defines the Katmai National Park.

Section two is the provision which would allow local residents, to, again, begin their traditional fishery of Red Fish within the Katmai National Park during the months of August through October.

Finally, section three addresses the effect of title and jurisdiction of tidal and submerged lands within the Katmai National Park.

Mr. Speaker, I offer this bill at this time to begin the process of reviewing each of these important provisions which affect my Native constituency. I introduced an identical bill last year, H.R. 4943, and am pleased to report that I received no opposition to the intent of that bill from any State or Federal agency or from any other group which may have an interest in this bill. Thank you for the opportunity to briefly explain my bill today.

TRIBUTE TO WAYNE LEESE

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize an outstanding individual from Bridgeport, MI, Wayne Leese. Over the course of his life time, Wayne Leese has shown exceptional dedication to the school community. On June 12, 1995, Wayne will be recognized for his devotion to our youth and out community when he is presented the Second Annual Government's Community Service Award.

In 1994, Bridgeport was selected to host the American Legion 16 & Under National Baseball Tournament. As the General Manager of Cablevision, Wayne was able to obtain a \$1500 contribution from ESPN so that Bridgeport-Spaulling Community School District could purchase an electric scoreboard. Furthermore, Wayne set up and chaired a raffle which raised over \$1800 for the tournament.

In addition to obtaining funds for the school district, Wayne has also expanded Bridgeport-Spaulling Community School's communication capability by providing a public access channel. This channel enables the school district to dispense educational materials, award recognition to students, allow access to video-broadcast of school events, and serve as another form of communication in an area without a daily local newspaper. However, Wayne Leese's contribution doesn't stop there. He continually serves as the information expert for the technology he provides to the community. Moreover, he devotes his time to making sure that the school community has the most updated interactive communication system.

Furthermore, Wayne, as an active member of the Bridgeport Chamber of Commerce, is constantly seeking ways to contribute to the community. With the Bridgeport Fire Department, Wayne set up a model on wheels which helps teach children about fire safety. Since 1990, Wayne and Cablevision have donated thousands of dollars to the "Toys for Tots" charity and area fire departments.

Mr. Speaker, Wayne Leese is an outstanding individual who is devoted to improving the Bridgeport Community. He has literally brought the technological world into this rural area. I know you will join me in commending Wayne for all that he has done as he receives the Governor's Community Service Award.

NATIONAL FLAT TAX SURVEY RESULTS

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. FUNDERBURK. Mr. Speaker, let me commend to you the following statement by a fellow North Carolinian, Mr. Louis T. March. Citing the results of a survey conducted by the Representative Government Education Foundation, Inc. as evidence, Mr. March presents a thoughtful argument for implementation of a nation flat tax.

STATEMENT OF LOUIS T. MARCH, PRESIDENT, REPRESENTATIVE GOVERNMENT EDUCATION FOUNDATION, INC.

The Representative Government Education Foundation is a North Carolina based foundation dedicated to educating citizens about our American system of representative government and the vital role of citizen participation therein. An important part of our work is citizen surveys on various issues of importance.

There is an uneasy feeling on the part of many Americans that we no longer have truly representative government in our country, that government of the people, by the people and for the people has become government of the people, by big government for special interests. Many feel that the wishes of the majority have been lost in the shuffle of big government regulation, special interest favoritism and partisan political wrangling.

A recent survey conducted by the Foundation shows overwhelming support for a flat rate income tax (hereinafter Flat Tax). Reasons most often cited in favor of a Flat Tax are related as much to problems with the current tax system as they are to the merits of a Flat Tax itself. In our survey follow up the five most cited reasons for desiring a Flat Tax were:

1. The simplicity of a Flat Tax. The current tax code is much too complex, and defies comprehension on the part of the average taxpayer. With over 9,400 pages of tax law, the vast majority (seventy percent in one study cited) of returns filed by professional preparers are from citizens and households earning less than \$50,000. The average American feels a sense of alienation when he cannot easily understand such a basic law of the land. The myriad complexities of the current tax code certainly take their toll in human frustration and personal and business time which could otherwise be utilized for more productive pursuits. The sheer simplicity of a Flat Tax is perhaps the source of its greatest appeal.

2. A Flat Tax would mean tax relief for the American family. The current tax system imposes a tremendous burden on the American family. A generation ago one wage earner could comfortably support the average family of four—no longer. Now two incomes (or more) are required to do so, and the costs of day care, time away from children and the economic stress on family home life are taking their toll. It has often been said that as goes the family, so goes the country. A new family friendly tax system should be devised. Congressman Armey has previously cited that the typical middle income family of four pays approximately 24 percent of its income, up from two percent in 1948, and that the average American family pays more in all taxes than it does for food, clothing and shelter combined. This is wrong, and effectively constitutes a form of economic warfare on the American family. Strengthening the American family is much more important than any Federal government program. And one sure way to help the American family is to simply allow them to keep more of the money they earn. A Flat Tax with generous exemptions for dependents would be fair to the family; the current tax system is not. The American family is in dire need of tax relief, and a Flat Tax is viewed as a means of restoring a measure of fairness to the tax system.

3. A Flat Tax would be less of an economic burden not only on the individual taxpayer but would realize significant cost savings within the government as well. The current tax system is too costly. Respondents overwhelmingly concurred with the sentiment that marginal tax rates are much too high.

Also, the current tax system requires approximately 115,000 employees of the Internal Revenue Service alone to administer and enforce it, with an annual budget of \$8 billion. Congressman Armey has cited a \$232 billion annual cost of compliance with the existing tax code. This has spawned an entire industry of tax code interpreters, tax preparers, accountants and attorneys to keep track of it all. The uniformity of rates, and the overall simplicity of the various Flat Tax proposals as seen as much more efficient system, saving money for taxpayers and for the government as well.

4. A Flat Tax would be beneficial to economic expansion. The current tax system stymies economic growth. The sentiment "what we tax we get less of, what we subsidize we get more of" certainly applies to the current system. Taxing savings, investment and productivity while subsidizing a whole array of proliferating social welfare programs is a major point of contention. There is a widespread feeling that our country's economic growth is held back by the massive outflow of hard earned tax dollars for the support of an inefficient, debt ridden and intrusive Federal government—a government perceived as not representing the best interests of the middle American taxpayer.

5. A Flat Tax would serve to restore public confidence and trust in our government. The current tax system has severely eroded public confidence in and trust of our Federal government and has over time incurred the resentment of a significant percentage of the citizenry. A large number of hard working law abiding Americans have come to live in fear of the Internal Revenue Service. There is a perception that those federal officials entrusted to be servants of the people are acting as their masters. Many Americans are simply fed up and feel that they have no say in this matter. They feel that the current tax system, apart from being too costly, complicated and inefficient, is grossly unfair, favoring moneyed special interests and partisan political concerns over the average American.

"No taxation without representation" was the rallying cry in the American Revolution. Many Americans feel that today we have excessive taxation without representation. This does not bode well for public confidence in our government. Tax relief would do a great deal to restore public confidence in government and in our elected officials. A Flat Tax is viewed by many as a step in the right direction. The American people want Congress to put the concerns of the law abiding, hard working taxpayer first. There is a widespread public sentiment that this has not been the case for a long time.

On behalf of the Representative Government Education Foundation, I thank you for your consideration of these matters.

LET'S NOT TURN OUR BACKS ON ARMENIA

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. BONIOR. Mr. Speaker, the commitment we have made to Armenia has helped to build democracy in that nation.

Now is not the time to be making extreme cuts in our assistance to the Armenian people.

The cuts proposed in the American Overseas Interests Act, H.R. 1561, would be devastating.

If this bill becomes law, United States aid to Armenia will be cut by at least one-third.

The Armenians are resilient people.

They are continuing to rebuild after a devastating earthquake.

They have outlasted the Ottoman Empire and the Soviet Union, and they continue to fight for freedom in Nagorno Karabagh.

Now is not the time to turn our backs on the Armenians.

But that is what this bill does.

This bill cuts aid to Armenia and other New Independent States by nearly \$100 million next year.

Instead of rewarding and encouraging the development of democracy, it sends the wrong signal to the Armenian people.

Mr. Speaker, the bill isn't all bad news for Armenia.

The humanitarian aid corridor provision we have fought so hard for is included in the bill.

The provision cuts off aid to countries, such as Turkey, which are blocking American humanitarian assistance.

This is an important step, and one that I believe is long overdue.

Mr. Speaker, our commitment to Armenia is a very modest one.

It is a fraction of our foreign aid budget, and our foreign aid budget amounts to less than 2 percent of our Federal budget.

Mr. Speaker, I am voting against this bill because I believe we can do better, and we must do better to build democracy around the world.

CONGRATULATIONS JOE GLASSFORD

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. POSHARD. Mr. Speaker, I rise today to pay special tribute to Mr. Joe Glassford. This week Joe will retire from his 22 years of dedicated service as the director of special education for the Wabash and Ohio Valley Special Education District. Throughout his professional educational career Joe has earned the respect and admiration of all that have had the honor of working with him. His tireless efforts to improve education have positively influenced the lives of fellow teachers, parents, administrators, and most importantly, the children he has dedicated his life to helping.

During my time as an educator, I had the pleasure of meeting and working with this fine man. His tireless efforts in support of quality educational programs for children with disabilities distinguishes him as a truly exceptional educator.

Joe understands children with disabilities have the right to a first-rate education, and because of this, Joe has helped bring the torch of education to a special place. His unwavering dedication to the pursuit of knowledge has helped light the world for children throughout southeastern Illinois.

Mr. Speaker, Joe Glassford is a special and outstanding human being. He has served as the Illinois State Director of Special Education, and has been instrumental in the establishment and improvement of numerous programs that are designed to help our children receive a better education. I want to take this opportunity to urge my colleagues to join with me in congratulating this fine man for all his successes. I wish Joe, along with his family, all

my best as he enters retirement, and begins this new educational journey.

INTRODUCTION OF THE EQUITABLE HEALTH CARE FOR NEUROBIOLOGICAL DISORDERS ACT OF 1995

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Ms. DELAURO. Mr. Speaker, I rise today to introduce the Equitable Health Care for Neurological Disorders Act of 1995. I want to thank my colleagues, Representatives MCHALE, WARD, and GEJDENSON, for joining me as original cosponsors.

I am proud once again to introduce this important measure that would make such a dramatic difference in the lives of people afflicted with neurobiological disorders. This year, I am especially honored to be reintroducing the bill in memory of my dear friend, Enid Peschel. Enid was a pioneer in the emerging study of neurobiological disorders and the inspiration behind my decision to introduce this bill. It is my hope that her dream of seeing this legislation become law will be realized in this session of Congress.

As an active participant in the fight for health care reform, I continue to believe that health care reform is a goal that we must continue to work toward. All Americans should have the security of knowing that they will have health care coverage—regardless of their health or economic status.

Perhaps no group of individuals has faced more discrimination by our Nation's health care system than those with severe mental illnesses. In the past 15 years, a revolution has occurred in neurobiology that has clearly documented that many of these severe mental illnesses are, in fact, physical illnesses. These physical disorders of the brain—neurobiological disorders—are characterized by neuroanatomical and neurochemical abnormalities. Controlled clinical research undertaken by scientists across the Nation have produced a body of irrefutable scientific evidence documenting the physical nature of these disorders.

Despite this, individuals with neurobiological disorders and their families continue to face discrimination and stigmatization by health insurance plans and society at large. I have visited with families who have had to cope not only with the emotional pain of dealing with neurobiological disorders, such as schizophrenia and autism, but the financial hardship as well.

Health insurance coverage for mental disorders is often limited to 30 to 60 inpatient days per year, compared with 120 days for physical illnesses; copayments, which are usually about 20 percent for physical illnesses, are often raised to 50 percent. Because of these arbitrary limits on coverage, individuals and families affected by these disorders are faced with onerous financial burdens. These people deserve the same kind of care and treatment that is available to those who suffer from other severe illnesses such as cancer, diabetes, or heart disease.

Families who are faced with severe mental illnesses should not be placed in a different

category—financially burdened, stigmatized, and treated as if they had done something wrong.

My bill would help these individuals and their families by requiring nondiscriminatory treatment of neurobiological disorders. Health care plans would be required to provide coverage that is not more restrictive than coverage provided for other major physical illnesses and that is consistent with effective and common methods of controlling health care costs—such as copayments and deductibles. My bill also stipulates specific benefits that must be provided and assesses a penalty on those plans that do not comply with the act's requirements.

Requiring equal health coverage of these disorders is not just important to individuals suffering from neurobiological disorders and their families. It is also important to the Nation. According to the National Institutes of Mental Health, equitable insurance coverage for severe mental disorders will yield \$2.2 billion in net savings each year through decreased use of general medical services and a substantial decrease in social costs.

I urge my colleagues to join me in supporting passage of this important legislation. Adoption of this policy would go a long way toward saving billions of dollars in wasteful spending, eliminating the stigmatism and misunderstanding so often associated with neurobiological disorders, and most importantly, ensuring that all those suffering from these devastating illnesses are adequately cared for.

CONSERVATION RESERVE PROGRAM

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. MINGE. Mr. Speaker, actions of public officials are always scrutinized for conflicts of interest and self-benefit—and they should be. As public officials, we are trustees of the people we represent in the Nation. We should not benefit from the programs upon which we deliberate unless we do so on the same basis as the rest of the population, or unless the benefit is fully disclosed and subject to review. The goal is not just to avoid impropriety but also the appearance of impropriety. If we do not observe these principles, it undermines our role in this democratic institution.

In 1991, before I even considered becoming a candidate for the U.S. Congress, my wife and I purchased 106 acres of land adjoining the farm building site where we live. These 106 acres were once the fields and pastures, which together with our home site, comprised a single farm. Approximately 55 acres of our purchased land had been enrolled in Conservation Reserve Program [CRP] by the seller. As a part of the sale, we made an agreement with the seller to abide by the CRP contract. However, our contract and the current CRP program will expire in 1996.

The U.S. Congress is now considering the renewal of CRP. Since I sit on the House Agriculture Committee and the subcommittees which have jurisdiction over this legislation, my wife and I have applied to withdraw all our land from CRP effective September 30, 1995.

We expect that this will be approved except for a 2.7 acre tract on which the prior owner planted trees. This is a wind break/wildlife habitat and will stay in CRP for 1 more year. We have developed a conservation plan for the highly erodible land that has been in CRP.

I hope this will clearly avoid any appearance of any self-interest in my work as a Member of Congress, on the Agriculture Committee, in promoting the continuation of CRP. I feel this is an important program and deserves disinterested analysis and review by Congress. I look forward to being a part of that process.

I appreciate the benefits of CRP for highly erodible land in this country. We must minimize top soil loss, protect ground water, and continue to reduce the fertilizer and chemical runoff to our lakes and streams. When this can be done in such a way that we provide wildlife habitat, and advance the farm program, it is a win-win situation. With such a tight budget this will be a challenge.

A REALISTIC LOOK AT CRIME FIGHTING FROM THE NEW BEDFORD STANDARD TIMES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. FRANK of Massachusetts. Mr. Speaker, the city of New Bedford is an ethnically diverse, older industrial city, which is also one of the major fishing ports in the country. Thus, it has had its share of experience with all of the problems that affect modern America. And this has given the New Bedford Standard Times, the newspaper of New Bedford, a very good perspective on versions of these problems, including that of urban crime. It is for this reason that the very thoughtful and cogent editorial which ran in the Standard Times on May 25 seems to me worth sharing here. Too often today, in American journalism, bad news is all that gets attention. And the antidote to this is not factitious and unfounded optimism, but a willingness to look at encouraging trends in a thoughtful way, and to see what we can do to promote these trends.

The editorial in the Standards Times which I ask to be printed here does exactly that. The Standard Times quotes New Bedford Police Chief Richard Benoit in strong support of community policing. It points out that "grassroots policing and community building activities that prevent crime from occurring in the first place, are an essential part of an overall anticrime strategy."

No one can accuse the Standard Times of being soft on crime, or unaware of the need for strong law enforcement measures. The balance and thoughtful appraisal it gives of recent crime fighting efforts is all the more valuable for that reason. I ask that the editorial be printed here.

[From the New Bedford Standard Times,
May 25, 1995]

SUNNIER CRIME STATISTICS POINT THE DIRECTION FOR THE FUTURE

Life in the community got a lot better in New Bedford in 1994, judging by the crime statistics just released for the state. This city was one of a handful to experience a sharp drop in serious crime—a full 27 percent. Other towns and cities did even better;

crime in Plymouth dropped an amazing 67.6 percent, Weymouth 40.2 percent.

And in case anyone suspects that all towns and cities had the same results, look at Fall River, where the decline was modest, at 4.4 percent, and at Lowell, where crime rose 44.5 percent.

What is going on here? Is this news for New Bedford as good as it seems?

Perhaps it is. While it is not safe to make sweeping conclusions based on one year's statistics, something obviously went right in New Bedford last year. It goes against the reputation of this city to learn that there were just three murders here last year; that's fewer than some small towns experience. And it is far cry from such places as gang-infested Gary, Indiana, the per capita murder capital of the country, which can barely keep count.

New Bedford Police Chief Richard Benoit's view is that community policing—more uniformed officers working in concert with neighborhood associations—are making a dramatic difference. "You can put as many undercover officers out there but you wouldn't be having the same effect on someone who sees a uniformed officer," he told our reporter.

That strikes us as common sense, and it ought to be remembered by those in the state Legislature and in Congress who believe that the most effective way to fight crime is to endlessly build new prisons while starving the grassroots policing and community-building activities that prevent crime from occurring in the first place.

It used to be that liberals were routinely mocked for being for all the "soft" community programs intended to build character and keep young lives from going the wrong way. Now, the majority in Congress has set its sights on much the same objective, couching it in terms of such things as traditional "family values" and the old social structures in which people watched out for each other.

It would pay these lawmakers to keep an eye on New Bedford and other places, where such things are being tried with apparent success. It is not that this community has suddenly become an oasis of calm in a crime-ridden America. Heaven knows we still have our problems with drugs and violence. It just pays to remember that it could be far worse, it has been far worse, and our own experience can be our guide.

MAKE A DIFFERENCE DAY AWARDEES

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. THOMPSON. Mr. Speaker, I stand today to recognize two constituents from the Second Congressional District in Mississippi. The Rev. Benjamin Ashford, Jr., pastor of Raspberry Chapel United Methodist Church, and Ms. Ada Brown, a retired teacher in Indianola, MI, were recently in Washington to receive the "Make a Difference Day Award" from the USA weekend magazine. These two constituents are to be honored for their diligence and determination in making a difference in their community. Reverend Ashford and Ms. Brown have devoted much time and effort to eliminating teenage pregnancy as well as encouraging teen mothers to continue their studies and graduate from high school. Instead of merely preaching sexual abstinence,

Reverend Ashford and Ms. Brown use interactive instruction to provide young people with the skills needed to be assertive in saying "no."

Mr. Speaker, these are the types of leaders, though there are many, who so often go unrecognized. I take extreme pleasure in recognizing Reverend Ashford and Ms. Brown.

DR. HADEN MCKAY RETIRES AS MAYOR OF HUMBLE, TX, AFTER DECADES OF SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. FIELDS of Texas. Mr. Speaker, for most of us who call Humble, TX, home, and who voted in city elections on May 6, it was unprecedented: For the first time in our adult lives, Dr. Haden E. McKay was not on the ballot for mayor. At 87 years young, Mayor McKay had decided that the rigors of balancing a medical practice and leading a city of 14,000 people simply did not allow him enough time with Lillian, his wife of 54 years.

I could easily take up an hour or tow of the House's time listing honors that have been accorded Mayor McKay, citing his amazing catalog of medical society memberships, and reading Dr. McKay's truly impressive civic accomplishments. But for those of us who know him and respect him, that simply wouldn't do this great man justice.

Haden McKay is more—far more—than a list of medical society honors and civic memberships. Since he began his medical practice in Humble in 1938, Dr. McKay has been a guiding force in my hometown. Dr. McKay has seen Humble grow from a small town with board walks and dirt streets to a modern community that is home to Houston Intercontinental Airport and a wide variety of other businesses and industries. Dr. McKay has done more than observe such changes; he, more than any other single individual, is responsible for bringing about that transformation.

Mr. Speaker, Haden McKay has served his community as a medical professional as well as public official for well over half a century. And in an interview with the Houston Chronicle in 1991, he explained that he chose a career in doctoring for the same reason he chose to enter public service: to help people. I dare say there aren't too many people in Humble whose lives haven't been touched directly and significantly by Dr. McKay. During his medical career, he's brought more than 4,000 babies into this world. And even those he didn't deliver have been helped through Dr. McKay's successful efforts to responsibly guide Humble through changing times and toward a better future for all of its people.

Haden McKay has helped others as a caring doctor, as a courageous member of the U.S. Army Medical Corps, and as a concerned public servant. He has enjoyed well-deserved success in each of those areas. His medical practice provided accessible health care to an entire community. At the time of his discharge from the Army, he held the rank of major. And during his years as city council member and mayor, Humble has grown larger without losing the high quality of life we have always enjoyed in Humble.

Mr. McKay may no longer hold the title of "Mayor of Humble," but he will forever be known as "Mr. Humble" to his friends and neighbors. While we all wish Humble's new mayor, Wilson Archer, the very best of luck as he begins his first term as mayor, we all know that he has some very, very big boots to fill.

Mr. Speaker, thank you for this opportunity to salute a man who I respect almost as a second father. I know you and all of my colleagues join with me in wishing Dr. McKay and his wife, Lillian, many, many years of the same good health and happiness they have given to so many of us in Humble, TX, throughout their lives.

TRIBUTE TO THE REVEREND WILLIAM T. KENNEDY, JR.

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. BORSKI. Mr. Speaker, I rise today in recognition of the outstanding contributions of the Reverend William T. Kennedy, Jr., to his community during his 25 years of service to the people of Philadelphia.

As a minister, educator, writer and lecturer, Dr. Kennedy has greatly influenced the lives of the many people who have been fortunate enough to know and work with him during his remarkable career.

Dr. Kennedy received a bachelor of science degree from the District of Columbia University in 1953 and went on to earn a bachelor of divinity studies from Drew Theological Seminary in 1956. He furthered his education, as well as his spiritual growth, by enrolling in Wesley Theological Seminary where he earned a master of divinity degree in 1963 and a master of sacred theology degree in 1964. In 1981 he was awarded the doctor of divinity degree from Livingstone College.

During his 25-year ministry, Dr. Kennedy has served as the pastor of Wesley A.M.E. Zion Church for 12 years, pastor of Tioga United Methodist Church for 3 years, and pastor of the Grace United Methodist Church for the past 10 years.

He shared his knowledge and experience by teaching others not only through his ministry, but also in academic environments. His academic experience includes: professor of ethics at Waterbury Hospital School of Nursing, associate professor of sociology and religion at Eastern College, adjunct professor of preaching at Eastern Baptist Theological Seminary, associate professor of preaching and practical theology at Yale Divinity School, professor of preaching at Lutheran Theological Seminary's Urban Institute, and adjunct professor of preaching at Drew Theological Seminary. In addition to teaching he has authored several publications and lectured on subjects including, "The Genius of Black Preaching" and the "The Black Preacher and Social Issues."

In addition to these accomplishments, Dr. Kennedy still found time to serve as a community leader in several church councils, community based committees, and the NAACP.

For these accomplishments, and most importantly, for the positive effects that these accomplishments have had on the people of Philadelphia, I would like to recognize and thank the Reverend William Kennedy, Jr.

HONORING THE UNION OF ORTHODOX JEWISH CONGREGATIONS OF AMERICA

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. SCHUMER. Mr. Speaker, I rise today in honor the Union of Orthodox Jewish Congregations of America. This national organization has played a leading role in raising awareness of the plight of three Israeli soldiers still missing in action. As a key member of the task force on the Israeli missing soldiers still missing in action. As a key member of the task force on the Israeli Missing Soldiers of the Conference of Presidents of Major American-Jewish Organizations, the Union of Orthodox Jewish Congregations of America pioneered and instituted an annual national Sabbath commemoration to educate the community about this important human rights issue.

On June 11, 1982, a battle raged in the Bekaa Valley in Northeastern Lebanon between an Israeli tank unit and a Syrian armored unit. Captured by the Syrians on June 11, 1982, Sgt. Zachary Baumel, 1st Sgt. Zvi Feldman, and Cpl. Yehuda Katz were reported missing in Damascus in front of the offices of President Hafaz Assad's brother, Rifaat Assad, who reported that they identified the soldiers as the Israeli tank crew. The tank, belching black smoke and flying the Syrian and Palestinian flags, was greeted by cheers from passers-by. To this day, very little information has been forthcoming about their condition.

Ever since these events took place, the government of Israel has spared no effort and the United States has been doing its utmost to obtain any information possible as to the fate of these missing soldiers, trying to utilize the offices of the International Committee of the Red Cross, the United Nations, and other international bodies. According to the Geneva Convention, Syria bears responsibility for their fate since the areas in which these soldiers disappeared were continually controlled by Syria.

This day, June 11, 1995 marks the bar-mitzvah, or 13th year, that these soldiers are missing in action. To date, President Assad has not revealed their whereabouts.

One of these soldiers, Zachary Baumel is an American citizen from Brooklyn, NY, who began his studies at the Hebrew School of Boro Park, formally known as the Eitz Chaim Yeshiva. An ardent basketball fan, Zachary emigrated to Israel in 1979 with the other members of his family. After graduation from high school, he entered military service which he combined with his religious studies at Yeshivat Hesder, where religious studies and army service are integrated.

When the Lebanon War started, he was at the rail end of his army service and had been accepted by Hebrew University to study psychology. He was due to work for the summer under the auspices of the Jewish Agency. But fate decreed otherwise as he disappeared on the 11th of June, 1992.

Zachary Baumel participated in one of the most costly battles in that war, Sultan Yakub, and has not yet returned. In the 13 years since that fateful day, June 11, 1982, he has been missing and presumed held in a Syrian-controlled part of Lebanon.

We earnestly request of the Syrian government to transcend all political differences and interests, and, in keeping with the international conventions to which Syria is a signatory and in the interests of true peace, to return these sons to their families.

We eagerly look forward to the day as we live in the hope of again welcoming Zachary Baumel to see his family in Israel and in Brooklyn and to greeting Zvi Feldman and Yehuda Katz.

TRIBUTE TO GUSSIE ERVIN

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mrs. MEEK of Florida. Mr. Speaker, I rise to honor a truly outstanding member of our community, Mrs. Gussie Ervin, an educator of outstanding ability and commitment who has taught the youth of Dade County for almost 40 years.

On June 17, her friends and family will gather at Moun Tabor Baptist Church in Miami to mark the retirement and celebrate the brilliant career of this remarkable person.

Almost by definition, those who are called to teaching are special, but by any measure, Mrs. Ervin is a very special teacher. She is not scared away by big problems or hard work. To her, challenges are to be overcome, tough decisions are to be made, and problems are to be overcome.

That message has been conveyed to literally thousands of Dade students. Mrs. Ervin has always demonstrated concern for their education and for their personal needs, as well as for the needs of their families. She frequently provided basic necessities like food and clothing to her students, at her own expense.

Her caring and dedication has earned for her the everlasting love and respect of her students, her colleagues, and her community. For thousands of students, the phrase "good teacher" is synonymous with Mrs. Gussie Ervin.

In addition to her service in our schools, Mrs. Ervin has also worked tirelessly to make our community a better place in which to live.

Mr. Speaker, I know that my colleagues join with me in recognizing the remarkable career and achievements of this wonderful person. On behalf of our entire community, I say thank you, Mrs. Ervin, and much success and happiness in the future.

TRIBUTE TO DR. MARVIN SHAPIRO

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Ms. KAPTUR. Mr. Speaker, I rise today to pay tribute to an outstanding podiatric medical physician, Dr. Marvin Shapiro of Sylva, OH, who has been a leader and an advocate of podiatric medicine for 63 years. Although he officially retired in 1984, Dr. Shapiro, now 85, has remained a strong voice for his profession, serving this year as the only podiatrist-delegate to the White House Conference on Aging.

In 1959, Dr. Shapiro was president of his professional organization, the American Podiatric Medical Association [APMA]. A gifted speaker and lecturer, he earned the title of "Foot Ambassador" during his term as president when he represented America's podiatric physicians as part of the State Department's People-to-People Program in England, France, and the USSR. Later, in 1963, he visited Poland, Turkey, the USSR, Israel, and Malta under the same program.

This morning I had the pleasure of hosting a breakfast at which Dr. Shapiro presented to the National Library of Medicine a rare and wonderful book he received as a gift while participating in the People-to-People program. The book, "De Calceis Hebraeorum," by Antonii Baynaei, catalogues every reference to the foot found in the Old Testament. Each verse is published in Latin, Hebrew, and Greek. The volume is beautifully illustrated with both medical and artistic drawings of the human foot. The book was written in 1715. I am very happy that this treasure has found a home at the National Library of Medicine.

Dr. Shapiro was also responsible for the first joint meeting between the American Podiatric Medical Association and the American Medical Association in 1959, which did much to enhance mutual understanding between the two health care professions.

To help educate other physicians and the public about podiatric medicine and the importance of foot care, Dr. Shapiro instituted the audiovisual department at the APMA nearly 60 years ago, and he has produced many exhibits and countless slides and videos. His name is also on the APMA's Marvin Shapiro Audiovisual Achievement Award, an international competition for long-term medical contributions in the field.

His outstanding career began as a premedical student at the University of Toledo in 1927, and he was graduated from the Ohio College of Podiatric Medicine in 1932. Dr. Shapiro founded the podiatry department at St. Vincent's Hospital and Medical Center in Toledo and has received many awards and honors from this respected institution. In 1980, Dr. Shapiro received the APMA's highest honor, the Distinguished Service Citation.

I applaud Dr. Shapiro on his magnificent career and his life-long efforts to keep Americans walking and to advance the study of therapeutic medical treatment for the foot and human health. It is a delight to have this leader as a constituent.

THE NEED FOR TAX-EXEMPT FINANCING FOR AMERICA'S MAJOR INTERMODAL PROJECT: THE ALAMEDA CORRIDOR

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. HORN. Mr. Speaker, on behalf of myself and Representatives TUCKER, ROYCE, BECERRA, HARMAN, ROYBAL-ALLARD, TORRES, and WATERS, I am introducing legislation [H.R. 1790] to permit tax-exempt financing of transportation facilities that are directly connected to the activities at a port. This a critical step in making a reality of our vision of a true national intermodal system.

As the largest port complex in the Nation, the Port of Long Beach and the Port of Los Angeles play an indispensable role in our Nation's economy. The continued growth and success of the operations at the ports is important to Americans from North Dakota to North Carolina and Maine to California, not just to those of us in southern California. We are the "Gateway to the Pacific" which includes Asia and Latin America. The Federal Government has an important stake in seeing this gateway thrive.

The linchpin of continued growth—to meeting the demands of the 21st century—is the Alameda corridor. Annually, the ports have returned billions of dollars in customs revenues to the national treasury and—with their expansion plans—promise to double cargo volume, and customs revenues.

If landside access to these ports is not opened up, growth will be effectively capped. Lost customs and economic development revenue to the Federal Government will also be in the billions of dollars. The two ports have pooled their resources to purchase the existing Santa Fe, Southern Pacific, and Union Pacific Railroad Lines which come from central Los Angeles 20 miles to the harbor area. The integrated railroad corridor will generally follow the Alameda Street north-south route to the ports and enable container and other cargo to move directly from the ship to dockside rail for transit to points west, east, north, and south. The completed corridor will enable civilian and military cargo to come in various directions much more efficiently.

If expansion is stalled, there will be freight diversions to alternative sites—with much talk from the Government of Mexico about constructing a new port in Ensenada. The current administration recognizes this fact. Secretary of Transportation Federico Peña has stated, "The Corridor is not only a California issue, it's a national priority."

In order to build on that support, those of us in the Los Angeles/Orange County delegation are working as a bipartisan coalition to ensure that the Federal Government plays an active role as a financial partner not only in the overall construction costs, but also in helping to see that early planning needs and already authorized grade crossings are started at the earliest opportunity.

An integral part of this Federal role is the extension of tax-exempt bond financing authority to the Alameda corridor. Tax-exempt bond financing is critical to keeping debt service to a point where the Alameda corridor can be a successful operation. The bill we are introducing today is carefully crafted to limit the financial impact to the Federal Treasury. Its reach is limited. Currently, tax-exempt financing is available to construction activities which are immediately connected to a wharf. This bill is merely an extension of that logic, whereby transportation facilities that allow cargo to flow to and from that wharf are also given tax-exempt status. Again, it is important to remember that the long-term financial gains to the Federal Government through increased customs revenues far outweigh any short-term economic loss which may result from that legislation.

The Federal funding requirements to make the Alameda corridor a reality are tremendous. The corridor will be the largest intermodal project in the Nation. Securing the requisite Federal assistance—estimated to be less than

40 percent of the total costs—will demand working as a unified coalition not only at every level of government, but as a unified coalition of the private and public sectors. The Alameda corridor has tremendous support from our business and political leaders. The task is to translate that support into a constructed reality. This legislation is a critical step toward that goal.

Mr. Speaker, below is the text of H.R. 1790:

H.R. 1790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX-EXEMPT FINANCING OF CERTAIN TRANSPORTATION FACILITIES.

(a) IN GENERAL.—Subsection (c) of section 142 of the Internal Revenue Code of 1986 (relating to exempt facility bonds) is amended—

(1) by redesignating paragraph (2) as paragraph (3), and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) RELATED TRANSPORTATION FACILITIES.—

"(A) IN GENERAL.—Transportation facilities (including trackage and related rail facilities, but not rolling stock) shall be treated as facilities described in paragraph (2) of subsection (a) if at least 80 percent of the use of the facilities (determined on an annual basis) is to be in connection with the transport of cargo to or from a facility described in such paragraph (without regard to this paragraph).

"(B) GOVERNMENTAL OWNERSHIP REQUIREMENT.—In the case of transportation facilities described in subparagraph (A), subsection (b)(1) shall apply without regard to subparagraph (B)(ii) thereof."

(b) CHANGE IN USE.—Section 150(b) of the Internal Revenue Code of 1986 (relating to change in use of facilities financed with tax-exempt private activity bonds) is amended by adding at the end the following new paragraph:

"(7) CERTAIN TRANSPORTATION FACILITIES.—

In the case of any transportation facility—

"(A) with respect to which financing is provided from the proceeds of any private activity bond which, when issued, purported to be a tax-exempt bond described in paragraph (2) of section 142(a) by reason of section 142(c)(2), and

"(B) with respect to which the requirements of section 142(c)(2) are not met,

no deduction shall be allowed under this chapter for interest on such financing which accrues during the period beginning on the 1st day of the taxable year in which such facility fails to meet such requirements and ending on the date such facility meets such requirements."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

A TRIBUTE TO DAVID W. HOWE

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. ENGLISH. Mr. Speaker, it is with great sadness that I rise to honor David W. Howe, a World War II fighter ace, who is being laid to rest in Arlington National Cemetery today.

David W. Howe began his flying career in Canada in 1941 when he joined the Royal Air

Force. After he completed his training, he was sent to England to fight the Nazis with the Royal Air Force. In 1943, when the United States began looking for experienced American pilots, David Howe became part of the famed American Eagle Squadron. He was a member of a elite group of "double-breasted" pilots who wore wings from the the United States Air Force as well as Royal Air Force. As part of the Eighth Air Force, Howe's fighter squadron flew much needed cover for bomber groups attacking German targets across Europe. By the end of World War II, Howe had received the Distinguished Flying Cross with two oak leaf clusters, the Air Medal with 13 oak leaf clusters and a Presidential Unit Citation. Howe flew 117 combat missions and was credited with shooting down nine enemy aircraft and destroying German trains as well as other ground targets.

Perhaps what best illustrates the heroism of David W. Howe is the story of an incident that occurred near the end of World War II. Howe barely escaped certain death when a new Nazi jet fighter was in pursuit of his propeller driven P-51 Mustang fighter. Knowing that it was impossible to outrun the German Messerschmitt 262, Howe turned his fighter into a steep dive, gaining needed speed, then abruptly flew under a bridge. The pursuing jet, unable to make the same maneuver, hit the bridge. Howe's superior flying skills and fighting spirit truly make him a flying ace and one of America's finest that ensured the defeat of the Nazi forces.

After the war, Howe returned to his wife and family in Erie, PA. Saddened by the number of friends that he had lost in the war, he did not fly for several years. Flying, though, remained his first love and, in 1951, he joined Bell Aircraft and trained to become a test pilot for experimental aircraft. He became the very first American pilot to test a Vertical Takeoff and Landing [VTOL] jet. Because of the unique principle of the aircraft, Howe was forced to teach himself how to fly it. That plane now hangs on display in the Smithsonian Museum at the Garber Facility in Suitland, MD.

Howe was a co-pilot of a specially outfitted B-50 bomber carrying an X-2 rocket plane that exploded just under the mother ship's bomb bay in 1953, in a test flight over Lake Ontario. The blast killed the X-2's pilot and a scanner on the B-50. Howe and other crew members fought to bring the big bomber, which was on fire and had lost all hydraulics, back to the base without any further loss of life. The bomber was later deemed beyond repair.

David W. Howe passed away on May 22, 1995, after suffering from a massive stroke. Every generation of Americans has been called to send their finest into battle, and at every call, the finest have responded, fully prepared to give their "last full measure of devotion." Many, far too many, have given their lives on the world's battlefields. Many more, like Capt. David W. Howe, have served with extraordinary distinction and were able to return home and continue giving to their families, communities and Nation in ways far too numerous to record. Today, I am thankful that David W. Howe's service continued beyond far away battlefields and touched so many lives in our community.

Thank you, Mr. Speaker.

IN HONOR OF PHILIP EMERY
SCHERRY

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. TALENT. Mr. Speaker, I rise today to congratulate a young constituent, Philip Emery Scherry, upon his receipt of the Eagle Scout Award at the National Court of Honor on June 20, 1995.

While only 15 years old, Philip has many accomplishments. He is a junior at Christian Brothers College High School in St. Louis. He was a Cub Scout with Pack 361 for 3 years where he earned the distinguished Arrow of Light. He then became a member of Troop 361, St. Mary Magdalene, Brentwood, MO, for 6 years. Some of his leadership positions include assistant patrol leader, assistant senior patrol leader, troop guide, quartermaster, and senior patrol leader. He was elected to the Order of the Arrow by the Scouts of his troop and selected for Junior Leader Training Camp.

In order to receive the Eagle Scout Award, Philip Scherry has donated over 600 hours of service to his troop and his community. Some of his service projects include the Scouting for Food, Christmas toy drives for St. Louis city children, the kickoff for a Brentwood city-wide recycling program, two city creek cleanups, tree planting for the Missouri Botanical Gardens, building park benches for Brentwood Parks and Recreation, and reconstructing playground areas for local schools. For his Eagle Service Project, Philip built a picnic shelter/viewing area for the Wabash Frisco & Pacific Model Railroad. This shelter provides a safe viewing area for visitors to watch the live steam railroad crews working the trains and turnaround.

Service projects are not Philip's only accomplishments. He has traveled to the National Scouting Museum in Murray, KY. He was also a member of the troop contingent to the 1993 National Jamboree at Fort A.P. Hill, VA, as well as attending the 50th anniversary celebration of Lincoln Day in Springfield, IL. Finally, Philip is a member of the 1995 troop contingent to the Philmont Scout Ranch in New Mexico.

Philip Scherry embodies the volunteerism and community commitment that is so vital to the spirit of our Nation. His dedication as a member of the Eagle Scouts will be remembered long after June 20.

I therefore want to take this opportunity to congratulate Philip and his parents Ed and Sandy Scherry on his achievements. Mr. Speaker, it is truly an honor to represent them.

TRIBUTE TO NAVY LT. COMDR.
TOM DIETZ

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. DORNAN. Mr. Speaker, I rise today to recognize Lt. Comdr. Tom Dietz—our resident Navy Seal and special operations warfare specialist here in Congress—for his distinguished service to the U.S. Special Operations Command, the U.S. Navy, and the entire Nation as

the Special Operations Command Legislative Liaison for Naval Special Warfare programs. In this capacity, Tom quickly established a solid reputation with both Members of Congress and their staff due to his extensive knowledge of all special operations issues. Fresh from his daring and highly decorated exploits in the Persian Gulf during Desert Storm, Tom was able to give us an insider's view to the unique and powerful Special Operations Force which we in Congress have worked so hard to support during defense budget deliberations.

Tom Dietz has played a vital part in building this congressional support by earning our trust and respect. His effective work on Capitol Hill is legendary. Because of Tom's dedication and commitment to excellence, U.S. Navy Seals, the U.S. Special Operations Command, and the entire Department of Defense will long reap the benefits of his tenure on Capitol Hill. All of my colleagues and I bid Tom, his wife Pam, and their son and future Seal Tyler, a fond farewell. Good luck and Godspeed at your next assignment at "Seal Central" on Coronado Island, CA.

THE FISCAL YEAR 1996 BUDGET
RESOLUTION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mrs. MORELLA. Mr. Speaker, today we are being presented with four alternative budget resolutions—two offered by the majority and two by the minority. For the first time in a quarter century, each of the resolutions before us would result in a balanced Federal budget. Each resolution recognizes that our current pattern of runaway spending is both economically unsustainable and morally indefensible. Each resolution presents us with very difficult, even painful choices; they are not ones that we relish making today or that we will relish making in the future. But the bottom line, Mr. Speaker, is that we will have to make them—and postponing them won't make them any easier.

Let's consider a few facts. Our national debt stands at \$4.8 trillion—that is \$18,460 owed by every man, woman, and child in our Nation. Interest on our debt is the fastest-growing part of the Federal budget; in fact, each year, the Federal Government spends 15 cents of every dollar—or more than \$200 billion—just on interest on the debt. That is almost as much as we spend on all nondefense discretionary programs combined—on education, job training, medical research, and much more. If current trends are not abated, interest and entitlement obligations will continue to grow exponentially until there is little left for anything else. Our choice today, then, is not about whether to balance the budget; it is about how to balance it.

This morning, I voted for the budget resolution offered by Democratic Representatives CHARLES STENHOLM and BILL ORTON. The Stenholm-Orton budget would have cut defense expenditures by \$60 billion more than the committee resolution, and it would have cut domestic expenditures by \$60 billion less. In addition, the Stenholm-Orton budget would have funded a tax cut, would not have in-

creased contributions to civil service retirement, would not have cut the student loan program, and it would have slowed the growth in Medicare spending more modestly than the committee resolution. Unfortunately, the Stenholm-Orton resolution was defeated by a wide margin.

Given the defeat of this resolution, and due to the paramount importance of putting our Nation on a glidepath to a balanced budget, I will support the Budget Committee's resolution. While I have concerns about some aspects of the committee budget, I believe that these concerns can be addressed in a House-Senate conference, and that the budget process must move forward. In fact, given the prevailing sentiment in the Senate, it is my expectation that the final document produced by House and Senate conferees will be very similar to the Stenholm-Orton budget for which I voted today: it will contain deeper defense cuts, more modest domestic cuts, and few, if any, tax cuts.

Mr. Speaker, a budget on a path to balance—however imperfect that path may be—is preferable to one that saddles future generations with hundreds of billions of dollars of debt each year. In addition, we must remember that a budget resolution is a blueprint, not a fully binding document, and that the authorizing and appropriating committees will have final discretion in determining how funds are spent in each budget category. That is why I will continue to work with these committees to protect our national priorities—education, health care, equity for our civil service, and much more, as I have done throughout my service in the Congress.

TRIBUTE TO FATHER JAY
SAMONIE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. DINGELL. Mr. Speaker, I rise today to recognize the years of service and achievement of the Reverend Jay Samonie. On July 1, 1995, Father Samonie will retire as pastor from St. Michael Catholic Church, in Monroe, MI.

The son of Lebanese-American parents, Jacob and Marie Samonie, Father Samonie is 1 of 11 children and grew up on the east side of Detroit.

When he was 14, he enrolled at Sacred Heart Seminary, where he completed high school and obtained a bachelor's degree. He took postgraduate studies in theology at the St. John's Provincial Seminary in Plymouth, MI. He received a master's degree from the University of Detroit in 1971 and a doctorate in 1988. Father Samonie was knighted by the worldwide Order of St. Peter in 1984 and joined the Knights of Columbus in 1989.

Before coming to Monroe, Father Samonie served as pastor of Holy Trinity Catholic Church in Detroit for 11 years, where he led medical and social programs serving more than 30,000 people annually. His other pastorates include St. Michael Parish in Pontiac in 1972 and St. Bernadette Church in Dearborn in 1968.

Throughout his years of service, Father Samonie has remained active in the community and the Archdiocese. He served as vicar

of the Southwest Detroit Vicariate from 1970–72 and served on the Archdiocesan Pastoral Assembly, Bread for the World, Clergy Advisory Board for the Archdiocesan Office of Hispanic Affairs and Pastoral Alliance of Detroit. Since 1968, Father Samonie has been a member of a pastoral team that assists Latin-Americans and has been Guadalupe Society Director since 1963. He also has the distinction of being the first priest to serve on the Michigan Judicial Tenure Commission, which investigates charges of misconduct against any State court judge.

Father Samonie's hobby is painting. His acrylic compositions are created using oils, acrylics, watercolors, and airbrush on a variety of surfaces. Angels and flowers are the pastor's favorite subjects but all of his works include messages and themes. There have been two successful exhibits of his artwork. During his retirement Father Samonie plans to concentrate on painting people and biblical scenes.

From civic duty to painting, Father Samonie has fostered beauty and kindness throughout his career. His life is a testament to the vast good a dedicated person can achieve within a community. Mr. Speaker, I call upon my colleagues to join with me in congratulating Father Samonie on his distinguished career of service and to wish him continued good health, happiness, and involvement in the many causes he holds dear.

TRIBUTE TO THE STURGIS NEIGHBORHOOD PROGRAM AND STURGIS FEDERAL SAVINGS BANK

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. UPTON. Mr. Speaker, I would like to recognize the fine efforts of the Sturgis Neighborhood Program and Sturgis Federal Savings Bank who were recently recognized by The Social Compact with its 1995 Outstanding Community Investment Awards. They received this honor for their partnership achievement: stabilizing lower income neighborhoods and families through the rehabilitation of affordable rental housing which is rebuilding community hope and pride.

Sturgis Neighborhood Program [SNP] was founded in 1991 in response to the Sturgis Area Chamber of Commerce's call for greater responsiveness to the housing needs of the city's lower income residents. The downtown business district of Sturgis, a small rural city, has a high concentration of deteriorating and substandard housing. These units, built before 1940 and converted from single-family, owner-occupied residences to multifamily properties, are rented to very-low-income families and require high maintenance. Many of the residents receive public assistance and lack necessary skills to balance their household budgets and maintain their property.

SNP combines housing rehabilitation with support services to address the needs of Sturgis citizens. Since its inception, SNP has rehabilitated five single-family homes, with numbers six and seven on the way. Tenant families are employed, receive family development guidance, and participate in maintenance

education programs. A Family Services Coordinator meets with each family on a regular basis to develop a goal-setting plan, a program that is helping families become self-sufficient, productive members of the community. I must say that SNP's Director, Judy Sommerfield, has done a wonderful job with all of the various activities of the organization.

Sturgis Federal Savings Bank, the first of four financial institutions to support SNP's mission, played a vital role in SNP's initial success. The thrift's president, Leonard Eishen, provided key financial direction and guidance in the area of administration and the development of community support, a major issue for SNP.

In order to gain community support, the nonprofit organization undertook an extensive, year-long campaign to meet with community leaders. Sturgis Federal also helped SNP with a line of credit, a \$1,000 annual grant toward operating support, low interest rates, and flexible terms. With the assistance of Sturgis Federal, SNP received \$124,000 in grants and subsidies which allowed the organization to successfully renovate five units of affordable rental housing. The Michigan State Housing Development Authority also awarded grants for the rehabilitation of the second house and subsequent projects.

By the end of SNP's 1996–97 fiscal year, it hopes to have completed 24 housing units in the targeted downtown area. These efforts improve the neighborhoods and support the local economy. Besides its partnership with Sturgis Federal, SNP has actively sought partnerships with local government, industry, business, financial institutions, youth groups, and service organizations. A network of volunteers from these groups helps to complete small projects on SNP houses.

Working together increases community pride for those who volunteer and for the individuals and families who don't want a handout but only an opportunity for a hand up. With its initial success, SNP has earned the trust of the community it serves and has become an integral part of the community's vision for improving the lives of its lower income residents.

PERSONAL EXPLANATION

HON. END G. WALDHOLTZ

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mrs. WALDHOLTZ. Mr. Speaker, due to a family illness, I missed votes on Wednesday, June 7. Had I been here I would have voted "yea" on rollcall No. 357, the rule for consideration of H.R. 1561, and "yea" on rollcall No. 359, the Hyde amendment to H.R. 1561.

LEGAL SERVICES CORPORATION
REAUTHORIZATION

HON. BILL MCCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. MCCOLLUM. Mr. Speaker, today Mr. STENHOLM and I introduce a bill which proposes to reauthorize the Legal Services Corporation and institute major and significant re-

forms to the Corporation. Over the years we have seen extensive abuses within the Legal Services Corporation by lawyers with their own political agendas actively recruiting clients, creating claims, and advancing their own social causes. They have been involved in inappropriate lobbying, highly controversial issues like abortion litigation, and impact litigation in an attempt to socially engineer change in our laws and rules.

It is for this reason that Mr. STENHOLM and I today introduce a bill which calls for extensive reforms in the Legal Services Act. This bill will restore the very limited and appropriate Federal role in the delivery of legal services to the poor. At the same time, this bill enhances accountability and compliance for the restricted and limited activities of the Legal Services Corporation.

I will submit for the RECORD a partial section-by-section summary which outlines the reform measures included in our bill. We seek to significantly limit the activities of a Legal Services Corporation and to return its function to the original and envisioned intent, providing the bread and butter basics of legal representation for the poor of this Nation.

THE LEGAL SERVICES REFORM ACT OF 1995

In order to create a non-political, accountable and fair federal legal service program, The Legal Services Reform Act of 1995 does the following:

NON-POLITICAL

Prohibits redistricting activity (Section 4)

Redistricting at all levels is inherently political. Many non-federally funded organizations, including the major political parties, are actively involved in redistricting fights. No matter which party is advantaged by litigation of these matters (who is advantaged is unclear) federally funded legal services attorneys should not be involved.

Prohibits solicitation of clients (Section 6)

If as many poor persons are being turned away for lack of funding as the American Bar Association estimates, the only reason to solicit would be to find clients that fit the political agenda of the lawyers. Our bill specifically allows outreach to educate potential clients of their legal rights but leaves it up to clients to seek legal help.

Prohibits lobbying or rulemaking activity (Section 8)

Nothing is more political or creates as much controversy as lobbying. We believe the intent of Congress in 1974 was to provide poor persons access to the legal system to have their existing legal rights vindicated. There are hundreds of organizations which have competing views on what changes in the law are in the best interest of the poor. Taxpayer's should not be forced to fund any particular side of that debate.

Prohibits the use of funds from any source for prohibited activities (Section 11)

While Congress continues to believe that certain activities are too controversial or otherwise inappropriate for the use of federal funds—controversy will still attach to programs which engage in those activities with funds from other sources. Let the many groups of lawyers, on the right and on the left, who are not constrained by Congressional restrictions, handle the highly political cases. In our opinion, we should promote this diversity. Why give a virtual monopoly to the federally funded program?

Prohibits abortion litigation or lobbying (Section 15)

Abortion is probably the most volatile issue facing the country today. Organizations and activist attorneys abound on each

side of the debate. As in 1974, abortion remains highly controversial and a threat to the support of the program. It would be inappropriate for Congress to fund either side of the right to life/right to abortion struggle.

Prohibits training for political purposes (Section 18)

This prohibition has been in appropriation riders since 1982 and reflects Congress' concern about political activity by legal services attorneys.

Elimination of the regional resource centers (Section 14)

These regional resource centers have proven to be a bed of controversy where research, training and technical assistance have been used to promote a particular agenda, not necessarily to the benefit of the poor. The Legal Services Administration Act practically gave these Centers carte blanche authority to pursue their social agendas.

ACCOUNTABLE

Requires local boards to set and enforce priorities (Section 10)

Our bill requires local boards of directors of LSC recipients to set and monitor priorities for the use of recipient resources. We feel strongly that deviating from those priorities should be the exception, not the rule; our bill would require staff attorneys to follow an established procedure when an emergency requires taking a case that is outside the specific priorities set by the local Board.

Allows clients to affect priorities by modest co-payments (Section 19)

Some observers of the Federal legal services programs see the number of cases taken by LSC recipients involving drug dealers as a symptom that programs are often out of touch with client concerns. Requiring a modest co-payment will help insure that resource allocations reflect client priorities. Co-payments would allow clients to feel a sense of dignity and control and the lawyers would be held accountable by their clients.

Requires keeping time by type of case and source of funds (Section 9)

Today—no one—not Congress, not the LSC, not the recipients themselves, can determine whether one program is more or less efficient than another. It may take one program 4 lawyer hours to handle a type of case which takes another program 12 lawyer hours to handle. The taxpayers have a right to know exactly what they are getting for their money. Accountability depends on knowing where a grantee spends its time and money. Currently no one knows.

Organizations to compete periodically to obtain federal funding (Section 13)

The genesis of protection Congress gave to existing LSC recipients was concern that a hostile Administration would replace grantees on ideological grounds. To the extent that threat ever existed it has passed. The presumption that a grantee will be refunded has meant an existing grantee will be funded again no matter how poorly it performs or complies with Congressional mandates.

Competition generally produces innovation, efficiency and excellence. It is hard to believe that, if competition involving complex weapons systems—long resisted by the defense industry—has produced the F15, the best fighter of its generation and the Advanced Tactical Fighter—then competition will not produce better delivery systems for legal services to the poor.

We have defined our proposed competitive bidding system in Section 13 where we note that this competition is not in the sense of the least cost program that might be offered but rather competition in the sense of quality and variety in the type of service that a program might offer.

Application of waste, fraud and abuse laws (Section 5)

There is no disagreement that the federally funded legal service program should be subjected to the same rules as other federal programs.

Prevention of evasion of congressional restrictions (section 24)

In 1981 the GAO found that a number of legal services recipients had set up mirror corporations to evade Congressional restrictions. That must not happen again. If a group of lawyers want to engage in activities which Congress prohibits, they should not be set up and controlled by federally funded recipients.

Attorney client privilege defined

Recently the GAO was asked to investigate legal services practices in a particular industry but reported it was unable to reach any conclusions because it was denied access to records and documents by LSC grantees. While we do not want to preclude legitimate claims of attorney client privilege, we should not allow exaggerated claims to shield programs from legitimate oversight.

Appointment of corporation president (Section 23)

This section changes the way in which the president of the Corporation is appointed making him serve at the pleasure of the President of the U.S. upon the advise and consent of the Senate. Presently, the president of the corporation is elected by the Board. This will serve to bring more accountability to the LSC.

Naming plaintiffs and statements of fact (section 7)

Private parties who are sued by Federally funded LSC attorneys are often at a tremendous disadvantage. They are generally not lawyers and must bear the often considerable expense of hiring legal counsel. Demands for money damages often strain or exceed their ability to pay. Our bill attempts to help such citizens by requiring, under most circumstances, that they know who is bringing the complaint and that a statement of facts by the plaintiff is on file. The potential defendant can then intelligently evaluate whether to settle or litigate.

No attorneys fees from private defendants (section 14)

Private parties who are sued by Federally funded attorneys pay four times: (1) their taxes, (2) their own attorneys fees, (3) a money judgement and (4) the attorney's fees of taxpayer funded attorneys who sued them. We don't think that is fair. Our bill provides that while government defendants would still be liable for attorneys fees, taxpayers would not be required to pay the attorneys fees of taxfunded lawyers.

ELEVENTH ANNIVERSARY OF THE MASSACRE AT THE GOLDEN TEMPLE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. BURTON of Indiana. Mr. Speaker, this past Saturday, June 3, marked the 11th anniversary of a very dark day in India's history—the Indian Army's assault on the Sikhs' Golden Temple in Amritsar. On that date in 1984, the Golden Temple in Amritsar, the holiest shrine of the Sikh nation, was brutally attacked by 15,000 Indian troops.

The brutal assault on the temple was timed to occur on a Sikh holiday. Simultaneously, 38

other Sikh temples throughout Punjab were attacked. Over 20,000 Sikhs, mostly civilians, were killed during the month of June.

At the Golden Temple, hundreds of people were herded into tiny rooms, where many died of asphyxiation. Many Sikh women were raped and then murdered. One hundred Sikh students between the ages of 8 to 12 were lined up in front of the temple's sacred pool and asked one by one to denounce the movement for an independent Sikh nation named Khalistan. One by one the children refused to do so and were shot in the head.

These types of horrible atrocities have become routine in Punjab, in Kashmir, and in other areas under India's control. India has over a half-a-million troops in Punjab and another half-a-million in Kashmir who are brutalizing those people—raping women, torturing prisoners, murdering civilians. Countless thousands of Sikhs, Moslems, and Christians have been murdered by Indian soldiers and paramilitary forces. This brutality has led the Sikhs of Punjab to seek independence so that they can enjoy the blessings of life, liberty, and the pursuit of happiness. The Indian Government should understand that its brutal campaign of terror will not wipe out this movement, it will only add fuel to the fire.

The Indian Government must be called to account for its crimes and human rights violations. It has become notorious for its disrespect for sacred religious sites. In 1992, Hindu mobs sacked the Mosque at Ayodhya. Just last month, Indian forces in Kashmir gutted the ancient Moslem shrine at Charar-e-Sharief on a Moslem holiday. The democracies of the world must not turn a blind eye on these heinous acts.

I hope all of my colleagues will join me in making the 11th anniversary of the attack on the Golden Temple by calling on India to begin to respect the human rights of all people.

THE WELFARE SYSTEM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. PACKARD. Mr. Speaker, today President Clinton suggested that Republican welfare proposals would give States incentive to cut loose the poor in order to save money simply by throwing people off the welfare rolls. Frankly, nothing could be further from the truth and the Clinton administration knows it.

The President has expressed skepticism of plans that give more authority to the States, yet the States have a proven track record on welfare reform and we should move the responsibility for welfare programs out of Washington and back to the States. The only examples of successful welfare reform have come at the State level, led by Republican Governors. Furthermore, as Governor of Arkansas, the President urged increased authority to the States.

The President continues to defend a failed system that even most welfare recipients do not believe in. The current system has resulted in increased poverty, dependency, and violence. The poverty rate today is higher than it was when Lyndon Johnson launched the war on poverty in 1965, even though trillions

of dollars have been spent on welfare programs. Studies show that half of AFDC families remain on welfare for more than 10 years and many are stuck there for life. The current system has made work financially unfeasible in many States. Violence in our society has increased. Felonies per capita have tripled as have violent crime arrests for juveniles, while welfare spending has increased 800%.

Mr. Speaker, the welfare system is a national disgrace. It is outrageous and arrogant for the President to tell America that Governors and State governments cannot be trusted. It is particularly incredulous since he has not presented a plan of his own and continues to leave the answer to many key questions purposely ambiguous.

ON THE EXPATRIATION TAX ACT OF 1995

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 9, 1995

Mr. ARCHER. Mr. Speaker, in March when the Congress was working to restore a health insurance deduction for millions of self-employed persons prior to the time when tax returns were due, that urgent legislation, H.R. 831, was threatened with unnecessary delay by the desire of some to include without adequate deliberation a proposal by President Clinton to impose a tax on individuals who give up their U.S. citizenship or residence. As we learned during hearings in the Committee on Ways and Means and the Senate Finance Committee, the President's proposal raised a number of serious concerns including the scope of the proposal, human rights and constitutional issues, issues of administrability, the potential for double taxation, the application of the proposal to interests in trust, the impact of the proposal on the free flow of capital into the United States, and the impact on future U.S. tax treaty negotiations. In light of these concerns, and in light of the administration's failure to provide the Congress requested information justifying the legislation, the Conference Committee determined that the non-partisan Joint Committee on Taxation should provide the Congress a complete report on the issues presented by proposals to modify the tax treatment of expatriation prior to our taking any action in this area.

Despite the incredible time constraints placed on the Joint Committee on Taxation, it was able to prepare what I believe is one of the most comprehensive studies of a tax issue the Congress has received in many years. The joint committee's study, delivered on June 1, revealed that the administration had greatly exaggerated the amount of tax-motivated expatriation, that the administration's estimate of the revenues that could be raised by its proposed was significantly overstated, that the administration's proposal to combat such expatriation was seriously flawed, and that the administration's proposal could encourage tax-motivated expatriation. The joint committee also found that other proposals based on the administration's proposal had similar flaws and would raise even less revenue. One such proposal, made by the House Minority leader, would lose revenue because its October 1, 1996 effective date would have provided an

18 month period during which wealthy individuals would be encouraged to give up their citizenship to avoid taxes.

In order to address the small and fairly level amount of tax-motivated expatriation that does exist, and to address certain other problems revealed by its study, the Joint Committee on Taxation made several recommendations for improvements to existing law. Today, I am introducing the Expatriation Tax Act of 1995 which is based on the recommendations made by the joint committee.

EXPLANATION OF LEGISLATION

1. INDIVIDUALS COVERED

For purposes of the present-law expatriation tax provisions (secs. 877, 2501(a)(3) and 2107), and U.S. citizen who relinquishes his or her citizenship would be deemed to have expatriated with a principal purpose of avoiding taxes if: (a) the individual's average annual U.S. Federal income tax liability for the 5 years preceding the year of expatriation was greater than \$100,000, or (2) the individual's net assets (valued at their fair market value) were \$500,000 or more on the date of expatriation. These dollar amounts would be indexed for inflation beginning after 1996.

However, an individual would not be subject to the expatriation tax provisions if such individual did not have a principal purpose of tax avoidance and is within one of the following categories: (a) the individual was born with dual citizenship and retains only the non-U.S. citizenship; (b) the individual becomes a citizen of the country in which the individual, the individual's spouse, or one of the individual's parents, was born; (c) the individual was present in the United States for no more than 30 days during any year in the 10-year period immediately preceding the date of expatriation; (d) the individual relinquishes his or her citizenship before reaching the age of 18½; or (e) any other category of individuals prescribed by Treasury regulations. To qualify for this exception, the individual must request a ruling from the Internal Revenue Service within one year from the date of expatriation. With respect to individuals who committed an expatriating act between February 6, 1994 and February 6, 1995 but had not applied for a certificate of loss of nationality ("CLN") as of February 6, 1995, the individual must request such a ruling within one year of the date of enactment.

2. ITEMS SUBJECT TO SECTION 877

The scope of the items subject to section 877 would be expanded to include property obtained in certain transactions that occur within 10 years of expatriation and on which gain or loss is not recognized. If an expatriate exchanges any property that would produce U.S. source income for property that would produce foreign source income, then such exchange shall be treated as a sale for the fair market value of the property. However, this rule would not apply if the individual enters into an agreement with the Secretary of the Treasury specifying that any income or gain derived from the property acquired in the exchange during the 10-year period after the expatriation shall be treated as U.S. source income. The Secretary of Treasury may provide through regulations for similar treatment for transfers that occur within 5 years immediately prior to the date of expatriation.

In addition, section 877 would be expanded to include certain income and gains derived from a foreign corporation that is more than 50 percent owned, directly or indirectly, by the expatriate on the date of expatriation or within 2 years prior to the expatriation date. Such inclusion would be limited to the amount of earnings and profits accrued prior

to the date of expatriation while such ownership requirement is satisfied.

3. SPECIAL RULE FOR SHIFT IN RISKS OF OWNERSHIP

For purposes of determining the tax under section 877, the 10-year period is suspended with respect to an asset during any period in which the individual's risk of loss with respect to such asset is substantially diminished.

4. DOUBLE TAX RELIEF

In order to avoid double taxation, a credit against the U.S. tax imposed under the expatriation tax provisions would be provided for any foreign income, gift, estate or similar taxes paid with respect to the items subject to such taxation. This credit is available only against the tax imposed solely as a result of the expatriation tax provisions, and cannot be used to offset any other U.S. tax liability.

5. REQUIRED INFORMATION SHARING

The State Department would be required to collect relevant information from the expatriates, including the social security numbers, forwarding foreign addresses, new country of residence and citizenship and, in the case of individuals with a net worth of at least \$500,000, a balance sheet, and provide such information routinely to the IRS. An expatriate's failure to provide such information would result in the imposition of a penalty for each year the failure continues equal to the great of (a) 5 percent of the individual's expatriation tax liability for such year, or (b) \$1,000.

6. TREASURY REPORT

The Treasury Department would be directed to undertake a study of the compliance of U.S. citizens and green-card holders residing outside the United States with tax return responsibilities and shall make recommendations regarding the improvement of such compliance. The findings of such study and such recommendations should be reported to the House Committee on Ways and Means and the Senate Committee on Finance within 90 days of the date of enactment.

7. EFFECTIVE DATE

The provisions of the bill generally would apply to any individual who loses U.S. citizenship on or after February 6, 1995. The date of loss of citizenship would remain the same as under present law (i.e., it would be the date of the expatriating act). However, a special transition rule would apply to individual who had expatriated within one year prior to February 6, 1995 but had not applied for a CLN as of such date. Such individuals would be subject to the new expatriation tax provisions as of the date of application for the CLN, but would not be retroactively liable for U.S. income taxes of their worldwide income.

TRIBUTE TO GEN. GORDON R. SULLIVAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 9, 1995

Mr. SKELTON. Mr. Speaker, today I wish to congratulate Gen. Gordon R. Sullivan, Chief of Staff of the U.S. Army, who will retire on June 20, 1995. General Sullivan's career spans 36 years in which he has given selfless and distinguished service as a soldier, leader, and visionary adviser to both the President and this Congress. Others have already entered a list of his accomplishments into the public record.

I want to briefly tell you about the essence of the man, his commitment to people, and leader development.

Since June 1991, General Sullivan has served as the Chief of Staff of the Army directing the Army's transformation into a power projection force, ready to defend the national interest in any corner of the world, whenever the Nation called. Throughout this period of historic change, General Sullivan provided not only the vision and energy to make the necessary changes, but also the guiding principles to keep the Army firmly focused on its fundamental purpose—fight and win the Nation's wars. He has been the epitome of responsible leadership, accomplishing tasks consistent with our Nation's values.

He is a leader who is absolutely committed to people. His personal relationship with America's Army—soldiers, civilians, families, corporate America—provide the context for his actions. He was particularly in touch with the soldier, creating a climate that allowed his subordinates to act and grow to meet the challenges of a rapidly changing world environment.

Whenever and wherever soldiers deployed in support of the Nation's interests there would be Gen. Gordon R. Sullivan. He could be found at Army posts at home and abroad, in disaster relief operations in Florida and Hawaii, floods in the Midwest, fires in the Far West, and earthquakes in California, in humanitarian operations in Somalia, Rwanda, and Haiti, and greeting soldiers returning from overseas deployments.

General Sullivan himself will credit these recent successes directly to the Army's two-decade investment in leader development. The future will require no less of a commitment. The future will challenge the leaders of America's Army. They will have to operate in ambiguous, uncertain, and complex environments. The hallmark of future Army leaders will be their ability to adapt to rapidly changing situations. Through personal example and unswerving commitment, General Sullivan has touched a generation of Army leaders, influencing them to embrace leader development as one of the Army's fundamental imperatives.

General Sullivan's career has been the epitome of selfless service to our Nation and the quintessential example of all we could hope our military leaders to be. And through the decades of service and sacrifice he has been supported by a loving family. The Nation shares General Sullivan with his wife Gay, their children John, Mark, and Elizabeth, and a grandson Christopher. They, too, have served the Nation, supporting in countless ways the career of this dedicated soldier.

Throughout its great history, this country has been blessed with men and women willing to serve and sacrifice their lives for the freedoms we enjoy. One such manifestation of this spirit comes from a letter written to General Grant by General Sherman in March 1864 when General Grant took command of the Union Armies. In his letter, Sherman wrote:

Throughout the war you were always in my mind. I always knew if I were in trouble, and you were still alive, that you would come to my assistance.

That, Mr. Speaker, is what Gordon Russell Sullivan represents, what he embodies—simple words, soldiers' words—courage and loyalty. Serving the Nation and the soldiers of America's Army.

Gen. Gordon R. Sullivan—a consummate professional, a loyal servant of the Constitution, a leader of demonstrated moral and physical courage—on behalf of the Congress of the United States and the people we represent, I offer our heartfelt gratitude for your service.

THE 50TH ANNIVERSARY OF THE AMVETS DEPARTMENT OF PENNSYLVANIA

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 9, 1995

Mr. GOODLING. Mr. Speaker, I wanted to congratulate the AMVETS Department of Pennsylvania on their 50th anniversary. The AMVETS charter in Pennsylvania was originally founded March 25, 1945, as a support group for returning World War II veterans. The National and State charters were later amended to include the veterans of the Korean and Vietnam wars, and also those enlisted in the National Guard.

The AMVETS organization is united for the purpose of helping veterans help themselves, promoting world peace, and preserving the American way of life. To this end, AMVETS works to achieve their mission by their service and volunteerism to other veterans in need. AMVETS Department of Pennsylvania has 13,000 members in 70 posts across the Commonwealth.

As a veteran, I understand the sacrifices many have made to preserve the freedom and democracy the rest of the world craves. President Lincoln described veterans' sacrifices best during the Gettysburg Address, "the brave men, living and dead, who struggled here, have consecrated it far above our poor

power to add or detract. The world will little note what was said here, but it can never forget what they did here." The same corollary should be held for all veterans whose selfless acts have helped others in their respective communities.

Mr. Speaker, once again, I would like to congratulate AMVETS Department of Pennsylvania on their 50th anniversary and wish them many more years of continued service to the Commonwealth.

TRIBUTE TO LT. GEN. DANIEL R. SCHROEDER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 9, 1995

Mr. SKELTON. Mr. Speaker today I wish to recognize a truly outstanding American, Lt. Gen. Daniel R. Schroeder, for service to his country in the Corps of Engineers of the U.S. Army. I would like to commend General Schroeder for 34 years of faithful and dedicated service to the United States.

A lifetime career in numerous Army engineer positions, his leadership has been shown throughout his career. He retires most recently serving as the deputy commander in chief of the U.S. Army Europe and Seventh Army.

General Schroeder is to be applauded for his fine work during the 1988 activation of the Army Engineer Center at Fort Leonard Wood, MO. During this time, he served as the commanding general of the U.S. Army Engineer Center and Fort Leonard Wood Commandant. This center contributes and ensures the future growth and development of the Army engineer regiment.

General Schroeder's many U.S. decorations and badges include the Defense Distinguished Service Medal, Distinguished Service Medal (with Oak Leaf cluster), Legion of Merit (with Oak Leaf Cluster), Distinguished Flying Cross, Bronze Star Medal with V Device (with 4 Oak Leaf Clusters), Meritorious Service Award (with Oak Leaf Cluster), Air Medals with V Device, Joint Service Commendation Medal, Army Commendation Medal (with 4 Oak Leaf Clusters), Combat Infantryman Badge, and Master Parachutist Badge.

I know that the Members of this body join in sending congratulations to General Schroeder and best wishes for his retirement. The Army Corps of Engineers has been fortunate to have had General Schroeder as one of its leaders.